

MONTANA BOARD OF HOUSING

301 S Park Ave., Room 228 - Helena MT 59601
(406) 841-2840

Webinar Information

You may listen or participate from your office or home. You may use the toll free access number listed below.

Registration Link: <https://www1.gotomeeting.com/register/949135289> **Phone Number:** 1-877-273-4202 **Passcode:** 7233056

(WE SUGGEST THAT YOU REGISTER FOR THE MEETING IMMEDIATELY, so that you are not delayed when the meeting starts.)

Monday, April 9, 2012:

I. 1:00 P.M. TEFRA PUBLIC HEARING

II. CALL REGULAR MEETING TO ORDER – Chairman JP Crowley

III. PUBLIC COMMENT ON ANY PUBLIC MATTER THAT IS NOT ON THE AGENDA OF THE MEETING AND THAT IS WITHIN THE JURISDICTION OF THE AGENCY

IV. AGENDA ITEMS

Minutes

- Approval of Prior Board Meeting Minutes

Finance Program (Chuck Nemecek)

- Quarterly Reports
- Finance Update

Homeownership Program (Vicki Bauer)

- Homeownership Program Update
- Resolution Approval 2012A / 2009D Bond Issue
- Bank of Montana Missoula Lender Approval
- Set-Aside Update

Multifamily Program (Mary Bair)

- Multifamily Update
- 2012 Tax Credit Award Consideration
- Amended Resolution Approval (Rainbow House – Great Falls, Silver Bow Village – Butte)
- RAM – Waiver Request (if needed)

Executive Director (Bruce Brensdal)

- Executive Directors Update
 - a. Marketing Update (Penny Cope)
 - b. Miscellaneous

V. Adjournment

VI. Board Training (none)

❖ **All agenda items are subject to Board action after public comment.** We make an effort to ensure that our meetings are held at facilities that are fully accessible to persons with disabilities. Any persons needing reasonable accommodations must notify the Housing Division at 406-841-2840 or TDD 406-841-2702 before the scheduled meeting to allow for arrangements.

Future Meeting Dates & Locations: (subject to change)

Day , Date	Location	Day , Date	Location
Thursday, May 3, 2012	Glendive	Monday, September 10, 2012	??
Tuesday, June 26, 2012	Billings	Monday, October 15, 2012	no meeting
Monday, July 9, 2012	no meeting	Monday, November 19, 2012	Helena
Monday, August 13, 2012	??	Monday, December 10, 2012	no meeting



MONTANA

Department of Commerce

MONTANA BOARD OF HOUSING

P.O. Box 200528 * Helena, Montana 59620-0528 * www.housing.mt.gov
Phone: 406-841-2840 * 1-800-761-6264 * Fax: 406-841-2841 * TDD: 406-841-2702

MONTANA BOARD OF HOUSING

301 S. Park – Room 228 and via Webinar, Helena MT

February 13, 2012

ROLL CALL OF BOARD

MEMBERS:

J.P. Crowley, Chairman (Present)
Betsy Scanlin, Vice Chairman (Present)
Jeff Rupp, Secretary ((Present)
Audrey Black Eagle (Present via Webinar)
Bob Gauthier (Present)
Jeanette McKee (Present)
Sheila Rice (Present)

STAFF:

Bruce Brensdal, Executive Director
Chuck Nemec, Accounting
Mary Bair, Multifamily Program
Vickie Bauer, Homeownership Program
Penny Cope, Marketing & Web Specialist
Paula Loving, Administrative Assistant
Charlie Brown, Homeownership Program
Kellie Guariglia, Homeownership Program
Emy Ingebritson, Multifamily Program
Judy Tice, Multifamily Program
Lisa Tedder, Homeownership Program
Angela Heffern, Accounting Program
Jeannene Maas, Homeownership Program

COUNSEL:

Greg Gould, Luxan and Murfitt (Present via Webinar)
John Wagner, Kutak Rock

UNDERWRITERS: Sandy Shupe, Wells Fargo Bank
Mina Choo, RBC

OTHERS:

Steve Grover, Grover Development Group
Alex Burkhalter, Sparrow Group
Tim German, Sparrow Group
Kris Wilkinson, LFD
Tom Mannschreck, Thomas Development
Revonda Stordahl, Butte Affordable Housing
Rick Schleuker, SMD Architects
Tim Howard, HCC Inc.

Galen Amy, Rocky Mountain Development Council
Melissa Lewis, City of Shelby, Toole County
Scott Keiper, Summit Housing Group
Harlan Wells, Summit Housing Group
Steve Inman, Tamarack Property Management
Christi Fisher, Soroptimist Village
Gib Glasson, Housing Authority of Billings
Lucy Brown, Housing Authority of Billings
Sanjay Talwani, Independent Record
Gene Leuwer, Rocky Mountain Development Council
J.S. Turner, City of Dillon
Marty Malesich, City of Dillon Mayor
Alvina Sullivan, Soroptimist Village
Kermit Meuller, American Building Association
Jim Morton, HRC – District XI
Lucy Pettapiece, Soroptimist Village
Benna McGeorge, Soroptimist Village
Sally Remy, Soroptimist Village
Nate Richmond, BlueLine Development
Kelly Gill, BlueLine Development
Greg Dunfield, GMD Development
Greg Taylor, Communities for Veterans
John Wiseman, Communities for Veterans
Ken Bowron Jr., Communities for Veterans
Tillie Butts
Jim McIsaac, Bicentennial Apartments
Tracy Menuetz, HRDC IX
Andrea Davis, Homeword, Inc.
Sean McKenna, GMD Development
Gail Briese-Zimmer, Rocky Mountain Development Council
Liz Mogstad, Rocky Mountain Development Council
Helen Pent Jenkins, Montana Veterans Foundation
Patrick Klier, Summit Management Group
Sam Long, Summit Housing Group
Heather McMilin, homeWORD
Don Sterhan, Mountain Plains Equity Group
Paul Groshart, Richland Affordable Housing Corporation
Jim Harvey, Harvey Investments
Kathleen O'Grady, Communities for Veterans
Don Paxton, Beneficial
Kirsten Holland
Marney McCleary, CAPNWMT
Teresa Bekk, Department of Veterans Affairs
Eileen Piekarz, Rural Community Assistance Corporation
Ann Atkinson, Kutak Rock

Ned Halling,
Terrie Casey, VA Montana Health Care System
Jennifer Siegel, Rural Community Assistance Corporation
Tarie Beck, Mountain Plains Equity Group
Jeryl Schneider, Tamarack Property Management Company
Tom Welch
Jeff Miller, Rocky Mountain Development Council
Claire Casazza, Thomas Development Co.

CALL MEETING TO ORDER

Chairman JP Crowley called to Order at 8:35 a.m. Introductions were made. Bruce Brensdal reviewed the process for the Webinar participation. The Chairman asked for any items not listed on the agenda.

APPROVAL OF MINUTES

Betsy Scanlin moved to approve the January 9, 2012 minutes and Jeanette McKee seconded the motion. Chairman Crowley asked for comments. The January 9, 2012 minutes were approved unanimously.

FINANCE PROGRAM

Chuck Nemec provided a brief financial update. The 10-year Treasury dropped to 1.97% as of meeting time. This affects the funds that have a 0.0% rate. Standard & Poors downgraded Society General, a French bank. Currently, MBOH has four bond series in investment.

Chuck Nemec provided the Board a comparative summary of operations from FY2005 to FY2011. Overall, the MBOH loan portfolio has decreased by 27%.

HOMEOWNERSHIP PROGRAM

Vicki Bauer provided the Homeownership Program update. Due to the low 10-year Treasury rate, MBOH continues to struggle to be competitive within the market.

Vicki Bauer provided an update on the potential Down Payment Assistance Program. Staff was working on providing an outline for the February meeting; however, Bond Council from Kutak Rock, John Wagner, recommended waiting until FHA has completed the revised Mortgagee letter for Down Payment Assistance. This revision is expected within the next two months.

Vicki Bauer informed the Board of the finalization of the First Interstate Bank Servicing Agreement. MBOH will bring the First Interstate Bank portfolio in-house once the software has been purchased and adequate staff is hired. MBOH is currently servicing all Veterans Home Loan program.

Vicki Bauer introduced Tracy Menuet, HRDC IX, who is requesting a revision of the West Edge Set-aside approved in July 2010. This Set-aside is for \$1,600,000 at 5.5% for 15 units for borrowers at or below 80% Area Medium income. In

addition, the Set-aside would only become available once 50% of the units were sold. Currently, 30 units of the 60 available units have been sold. HRDC IX requested the following revisions:

1. Up to \$250,000 be made available at 3.875% to borrowers at or below 50% AMI with Loan to Values less than 55%. These loans would not have the 1.5% origination fees paid to the lenders by the Board of Housing.
2. The Board providing MBOH Staff authorization to approve borrowers earning up to 120% AMI on an exception basis.

Tracy explained West Edge is an affordable homeownership development of Gallatin County and the HRDC. The project was awarded grant funding by the Department of Commerce's Neighborhood Stabilization Program (NSP). The units are available to households earning less than 120% AMI, but targeted primarily to households earning under less than 80% AMI. In accordance with NSP guidelines, at least 25% of the units will be sold to households earning less than 50% AMI.

Due to higher property tax assessments on the Phase 2 units came in much higher than those in Phase 1, which has reduced the ability of households earning less than 50% AMI to purchase in West Edge. The revision to allow interest rate at 3.875% would make the difference of the property tax increase. In addition, NSP guidelines allow for purchase by households earning up to 120% AMI; without an exception by MBOH, HRDC IX would be unable to provide financing for households earning between 80-120% AMI until they reached 0% owner-occupancy. Bob Gauthier moved to approve the two revisions to the West Edge Set-aside program. Jeanette McKee seconded the motion. Chairman Crowley asked for comments. The revisions were approved unanimously with Jeff Rupp abstaining.

MULTIFAMILY PROGRAM

Mary Bair provided the Board with the Multifamily Program update. The Bond issuance approved in January has been sent to the Governor's office for approval.

Mary Bair brought to the Board two Reverse Annuity Mortgage (RAM) exception requests. The first is from an 82 year-old Bozeman woman who is requesting \$41,000 to pay off current debts. The second is from an 85 and 86 year old Livingston couple who are requesting \$25,000 to pay off vehicle loans and make minor repairs to their home. Sheila Rice moved to approve both RAM exceptions and Betsy Scanlin seconded the motion. The Chairman asked for comments. The two Reverse Annuity Mortgage exceptions were approved unanimously.

Mary Bair presented the 2012 Low Income Housing Tax Credits (LIHTC). MBOH received 15 applications, including three projects in the Small Projects funding and seven are from Non-profit organizations. The total requested was \$7,209,430, with a total of MBOH \$2,534,920 LIHTC allocation funds. Mary stated the applicants will present the projects for the Board's consideration.

Chairman Crowley reminded the Board and project presenters the goal of the projects' presentation is for the Board's information and approval of LIHTC allocation funds will take place at the April 9, 2012 meeting.

- Haven Homes (Small project – New Construction) – Steve Grover, Grover Development Group – located in Missoula; this project will be four 3-bedroom family homes. Three homes will be targeted to 60% Area Medium Income (AMI) and one home will be targeted to 50% AMI. The goal upon completion of the 15-year compliance period is homeownership. Mr. Grover provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Sweet Grass Apartments (Small project, Non-Profit – New Construction) – Nate Richmond and Kelly Gill, BlueLine Development – located in Shelby; this project is for 12 family units. Three units will be 40% AMI, six units will be 50% AMI, and three units will be 60% AMI. Melissa Lewis, City of Shelby, provided the Board with the history of the need of housing in the Shelby area. Shelby will experience substantial economic growth. The City of Shelby has committed to fund the water line to the project site and paving of streets. Mr. Richmond provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Haggerty Lane (Small project – New Construction) – Dab Dabney, Farmhouse Partnership – located in Bozeman; this project is for 11 family units. Two units will be 40% AMI, five units will be 50% AMI, and four units will be 60% AMI. Via video, Dab Dabney provided the overall need for affordable housing within Bozeman. The project received letters of support. There was no opposition to the project at the time of the Board meeting.
- Aspen Place (Non-Profit – New Construction) – Jim Morton, HRC XI – located in Missoula; this project is for 36 senior units. Four units will be 40% AMI, 23 units will be 50% AMI, and nine units will be 60% AMI. Mr. Morton provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Depot Place (Non-Profit – New Construction) – Alex Burkhalter, Sparrow Group – located in Kalispell; this project is for 40 senior units. Four units will be 40% AMI, 25 units will be 50% AMI, and 11 units will be 60% AMI. Mr. Burkhalter provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Deer Park Apartments (Non-Profit – New Construction) – Revonda Stordahl, Butte Affordable Housing – located in Dillon; this project is for 24 senior units. Four units will be 35% AMI, 10 units will be 40% AMI, and 10 units will be 45% AMI. Ms. Stordahl provided an overview of the project and letters of support. Tom Mannschreck, Thomas Development, reviewed the outcome of two public hearings held on the project. Tom Welch, citizen of Dillon and former Board member, stated via Webinar in his attendance in two public

hearings and the review of the overall project, it supports the aging community of Dillon. Marty Malesich - City of Dillon Mayor and J.S. Turner - City of Dillon Operations Director, stated the project has been positively supported by the City of Dillon. Jim McIsaac voiced his opposition to the project, stating his Projected Based Section 8 affiliated apartment complex, Bicentennial Apartments, has had a vacancy rate of at least 10% the last two years.

- North Stone Residence (Non-Profit – New Construction) – Gene Leuwer, Rocky Mountain Development Council – located in Helena; this project is for 30 senior units. Three units will be 40% AMI, 23 units will be 50% units, and four units will be 60% AMI. Mr. Leuwer provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Hillview Apartments (General – Acquisition/Rehabilitation) – Greg Dunfield, GMD Development – located in Havre; this project is for 52 family units. All 52 units will be targeted to 40-60% AMI. Mr. Dunfield provided a history of the existing project, along with the overview of the “like new” rehabilitation with letters of support. There was no opposition to the project at the time of the Board meeting.
- Red Fox Apartments (General – New Construction) – Lucy Brown, Housing Authority of Billings – located in Billings; this project is for 30 family units. Three units will be for 40% AMI, 18 units will be for 50% AMI, and nine units will be for 60% AMI. Ms. Brown provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Parkview Village (Non-Profit – New Construction) – Paul Groshart, Richland Affordable Housing Corporation – located in Sidney; this project is for 20 family units. Three units will be for 40% AMI, 13 units will be for 50% AMI, and four units will be 60% AMI. Mr. Groshart provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Freedom’s Path (General – Acquisition/Rehabilitation) – Greg Taylor, Communities for Veterans – located at Fort Harrison; this project is for 40 family units. Three units will be for 40% AMI, two units will be for 50% AMI, one unit will be for 60% AMI, and 34 units will be for 40-60% AMI. Mr. Taylor provided a history of the Federal campaign to eliminate Veteran’s homelessness by 2015 and an overview of the rehabilitation project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Soroptimist Village (Non-Profit – Acquisition/Rehabilitation) – Andrea Davis and Heather McMilin, Homeword – located in Great Falls; this project is for 50 senior/disabled units. Five units will be for 40% AMI, 31 units will be for 50% AMI, seven units will be for 60% AMI, and seven units will be for 100%

AMI. Ms. McMilin provided an overview of the rehabilitation project and letters of support. Benna McGeorge, Board of Directors for Soroptismist Village, provided a history of the complex and business structure. Christi Fisher, Board of Directors for Soroptismist Village, provided a history of the rent control structure and maintenance. There was no opposition to the project at the time of the Board meeting.

- Stoneridge Apartments (General – New Construction) – Harlan Wells , Summit Housing Group – located in Bozeman; this project is for 39 family units. Five units will be for 40% AMI, 24 units will be for 50% AMI, and ten units will be for 60% AMI. Mr. Wells provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Courtyard Apartments (Non-Profit – Acquisition/Rehabilitation) – Marney McCleary, Community Action Partnership of NWMT – located in Kalispell; this project is for 32 family units. Seven units will be for 50% AMI, and 25 units will be for 60% AMI. Ms. McCleary provided an overview of the project and letters of support. There was no opposition to the project at the time of the Board meeting.
- Blackfeet Homes V (General – New Construction) – No Representative present at Board meeting – located in Browning. Mary Bair stated this project is for 24 family units.

Chairman Crowley and the Board thanked the applicants for their time and presentations of their projects. At the April 9, 2012 Board meeting, the Board will award the 2012 Low Income Housing Tax Credits.

EXECUTIVE DIRECTOR

Bruce Brensdal updated the Board on the Mountain Plains Regional Summit in Mandan, North Dakota being held May 1-3, 2012. Currently, Jeff Rupp and Betsy Scanlin will be attending. Bob Gauthier and Jeanette McKee expressed interest in attending.

Penny Cope reminded the Board of the Montana Housing Partnership Conference takes place June 26-28, 2012 in Billings. The June Board meeting will be in Billings on the 26th so Board members can participate in the Housing Conference.

Meeting adjourned at 1:35 p.m.

Jeffrey Rupp, Secretary

Date

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MEMO



From: Mary S. Bair
Re: LIHTC Applications
Date: April 9, 2012

We received 15 applications for Low Income Housing Tax Credits, totaling \$7,209,430. Rocky Mountain Development withdrew their North Stone Residences application.

The ranking of applications is attached. The proposal by staff is as follows:

Small Project Pool:

Haggerty Lane Apartments, Bozeman, with a score of 98
Sweet Grass Apartments, Shelby, with a score of 95

General Pool/Non Profit

Soroptimist Village, Great Falls, with a score of 106 (meets Non Profit mandate)
Blackfeet Homes V, Browning, considering great need on the reservation, with a score of 105
Parkview Village, Sidney, considering geographic location, with a score of 105

Two additional applications also earned a score of 105. Available tax credits would fund only one more application.

Depot Place, Kalispell
Hillview Apartments, Havre

* Project information is on the second sheet of this excel workbook

2012 Applications and Allocations
Montana Board of Housing
Low Income Housing Tax Credit Program

Mary S. Bair
Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

406-841-2845
fax 406-841-2841

Available Credit Calculation:

Resident Population	1,000,000		
Factor	2.15		
Credit Ceiling Available	\$ 2,465,000	Set-a-sides:	
Small State Minimum Ceiling	\$ 2,525,000	Small Project	\$ 511,070
2011 Carryover Available	\$ 9,920	Non Profit	\$ 255,535
Returned Credits	\$ 2,746	General	\$ 1,788,746
Returned Credits	\$ 17,685		<u>\$ 2,555,351</u>
Total Credits Available	<u>\$ 2,555,351</u>		
Maximum Credit per Developer (25% of ceiling)	\$ 631,250		

Allocations:

Project	City	Round	Set-a-side	Amount Requested	Proposed Award	Section Criteria Points
Haggerty Lane Apartments	Bozeman	1/20/2012		\$ 200,000	\$ 200,000	98
Sweet Grass Apartments	Shelby	1/20/2012	non profit	\$ 200,000	\$ 200,000	95
The Haven Homes	Missoula	1/20/2012		\$ 125,000	\$ -	73
Small Project - Total				\$ 525,000	\$ 400,000	
Soroptimist Village	Great Falls	1/20/2012	Non-Profit	\$ 480,000	\$ 480,000	106
Blackfeet Homes V	Browning	1/20/2012	General	\$ 631,225	\$ 631,225	105
Parkview Village	Sidney	1/20/2012	Non-Profit	\$ 403,013	\$ 403,013	105
Depot Place	Kalispell	1/20/2012	General	\$ 608,000	\$ -	105
Hillview Apartments	Havre	1/20/2012	General	\$ 563,715	\$ -	105
Stoneridge Apartments	Bozeman	1/20/2012	General	\$ 631,250	\$ -	103
Aspen Place	Missoula	1/20/2012	Non-Profit	\$ 550,000	\$ -	103
Deer Park Apartments	Dillon	1/20/2012	Non-Profit	\$ 457,683	\$ -	102
Freedoms Path	Fort Harrison	1/20/2012	General	\$ 629,352	\$ -	100
Red Fox Apartments	Billings	1/20/2012	General	\$ 559,678	\$ -	95
Courtyards Apartments	Kalispell	1/20/2012	Non-Profit	\$ 539,264	\$ -	93
Non-Profit / General - Total				\$ 6,053,180	\$ 1,514,238	<u>Remaining</u>
Grand - Total				\$ 6,578,180	\$ 1,914,238	\$ 641,113
				<u>Setaside</u>	<u>Requests</u>	<u>App / Recom</u>
Small Projects						<u>Remaining</u>
1st Round				\$ -	\$ -	\$ -
2nd Round						\$ -
Non-Profit/General						
1st Round				\$ 6,578,180	\$ 1,514,238	\$ 1,041,113
2nd Round				\$ -	\$ -	\$ -
						\$ 1,041,113
credits recommended for qualifying non-profits =				\$ 480,000		

<u>Applications not Allocated/Withdrawn</u>				<u>Amount Requested</u>		<u>Criteria Points</u>
North Stone Residence	Helena	1/20/2012	Non-Profit	\$	631,250	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
-				\$	-	\$ - 0
Total Applications not Funded				\$	-	
<u>Applications not Ranked</u>				\$	-	
-				\$	-	
Total Applications not Ranked				\$	-	
Grand Total Credits Requested				\$	6,578,180	

* Project information is on the second sheet of this excel workbook
L:\MultiFamily\LIHTCV\ANNUAL APPLICATION AND ALLOCATIONS SUMMARY\2012 Tax Credit Projects w withdrawn app.xls]Summr

**Low Income Housing Tax Credits
Cost Comparison Schedule
April 9, 2012 Round**

Cost per unit comparison:

	Land, Acq & Site	Const/ Rehab	Soft Costs	Reserves	Total	Cost per Sq Ft	Credit per Unit	Credit per Sq Ft	Tax Cr Ratio	Total Cost
Small Project (20%)										
(projects requesting \$200,000 credits or less)										
1	-	\$ 42,578	\$ 105,787	\$ 48,135	\$ 2,273	\$ 198,773	\$ 237.53	\$ 18,182	\$ 21.73	\$2,186,498
2	-	\$ 8,068	\$ 107,081	\$ 40,735	\$ 2,083	\$ 157,997	\$ 167.73	\$ 16,667	\$ 17.69	\$1,895,965
3	-	\$ 91,125	\$ 179,056	\$ 49,844	\$ 625	\$ 320,650	\$ 242.92	\$ 31,250	\$ 23.67	\$1,282,598
Non-Profit / General Pool (remainder)										
1	-	\$ 29,722	\$ 91,230	\$ 32,554	\$ 7,344	\$ 160,850	\$ 175.73	\$ 15,278	\$ 16.69	\$5,790,609
2	-	\$ 27,750	\$ 89,865	\$ 31,987	\$ 5,881	\$ 155,463	\$ 172.39	\$ 15,200	\$ 16.86	\$6,218,523
3	-	\$ 23,958	\$ 99,597	\$ 56,328	\$ 5,167	\$ 185,050	\$ 179.10	\$ 19,070	\$ 18.46	\$4,441,200
4	-	\$ 13,933	\$ 82,514	\$ 26,857	\$ 3,430	\$ 126,734	\$ 149.56	\$ 10,841	\$ 12.79	\$6,590,131
5	-	\$ 36,755	\$ 141,552	\$ 48,087	\$ 3,633	\$ 230,027	\$ 188.61	\$ 18,656	\$ 15.30	\$6,900,830
6	-	\$ 9,647	\$ 126,738	\$ 43,938	\$ 5,866	\$ 186,189	\$ 160.93	\$ 20,151	\$ 17.42	\$3,723,778
7	-	-	\$ 121,576	\$ 39,868	\$ 9,151	\$ 170,595	\$ 180.50	\$ 15,734	\$ 16.61	\$6,838,769
8	-	\$ 2,000	\$ 68,198	\$ 23,321	\$ 3,240	\$ 96,759	\$ 170.25	\$ 9,600	\$ 15.87	\$5,148,388
9	-	\$ 16,026	\$ 111,038	\$ 32,704	\$ 2,666	\$ 162,434	\$ 144.76	\$ 15,781	\$ 14.43	\$6,334,902
0	-	\$ 21,094	\$ 95,503	\$ 42,592	\$ 4,132	\$ 163,321	\$ 229.00	\$ 16,852	\$ 23.63	\$5,226,278
1	-	\$ 20,833	\$ 180,570	\$ 25,592	\$ -	\$ 226,995	\$ 149.44	\$ 26,301	\$ 17.31	\$5,447,898
	average	\$ 24,535	\$ 114,306	\$ 38,755	\$ 3,964	\$ 181,560	\$ 182.03	\$ 17,826	\$ 17.75	\$68,026,367
									82.0%	

Applications not Ranked

Applications withdrawn

North Stone Residences Helena

2012 Tax Credit Comparison

Project			Location	Unit Breakout										Energy				Green		Total Points Awarded
				0-30% AMI	31-40% AMI	41-50% AMI	51-60% AMI	Mgr Unit	Market Units	Total Units	Total TC units in community	Meets Threshold/ points	Discretionary Points	Meets Threshold/ points	Discretionary Points					
1	Aggerty Lane Apartments	Bozeman	-		2	5	4				11	505	4	2	2	2	10			
2	Sweet Grass Apartments	Shelby	-		3	6	3				12	12	4	2	2	2	10			
3	Haven Homes	Missoula	-			1	3				4	1043	4	2	2	2	10			
4	Aspen Place	Missoula	-		4	23	8	1			36	1043	4	2	2	2	10			
5	Depot Place	Kalispell	-		4	25	10	1			40	539	4	2	2	2	10			
6	Deer Park Apartments	Dillon	-		4	20					24	24	4	2	2	2	10			
7	Hillview Apartments	Havre	-		6	32	13	1			52	36	4	2	2	2	10			
8	Red Fox Apartments	Billings	-		3	18	9				30	824	4	2	2	2	10			
9	Parkview Village	Sidney	-		3	13	4				20	0	4	2	2	2	10			
10	Freedoms Path	Fort Harrison	-		4	25	11				40	*0	4	2	2	2	10			
11	Soroptimist Village	Great Falls	-		5	31	6	1	7		50	268	4	2	2	2	10			
12	Stoneridge Apartments	Bozeman	-		5	24	10	1			40	505	4	2	2	2	10			
13	Courtyards Apartments	Kalispell	-			7	25				32	539	4	2	2	2	10			
14	Blackfeet Homes V	Browning	-		3	15	6				24	130	4	2	2	2	10			

415 *Helena has 346 TC Units

Selection Criteria

Extended Low Income Use (0-10 pts)

Serves lowest income tenants (0-22 pts)

Project Location (3 pts)

Housing Needs Consideration (14 pts)

Project Characteristics (16 pts)

Development Team Characteristics (6 pts)

Demonstration of Montana Presence (4 pts)

Participation of Local Entity (5 pts)

Tenant Populations with Special Housing Needs (10 pts)

1. Preservation of Affordable Housing Projects (3 pts)

I. Market Need (5 pts)

2. Intermediary Costs (10 pts)

3. Developer Prior Performance and Response (-20 pts)

'ROJECT MINIMUM THRESHOLD = 80

AXIMUM THRESHOLD = 108

Small Projects					Large Projects									
Haggenby Lane Apartments	Sweet Grass Apartments	Haven Homes	Aspen Place	Depot Place	Deer Park Apartments	Hillview Apartments	Red Fox Apartments	Parkview Village	Freedom's Path	Soroptimist Village	Stonridge Apartments	Courtyards Apartments	Blackteel Homes V	
Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	Points Awarded	
10	10	0	10	10	10	10	10	10	10	10	10	10	10	
17	17	12	22	22	22	22	17	22	22	22	22	12	22	
3	3	3	3	3	3	3	3	3	2	3	3	3	3	
13	14	13	14	14	14	14	13	14	14	14	14	14	14	
16	16	13	14	16	16	16	14	16	16	16	14	16	16	
6	6	3	6	6	6	6	6	6	6	6	6	3	5	
4	4	4	4	4	4	4	4	4	2	4	4	4	4	
5	5	0	5	5	5	5	5	5	5	5	5	5	5	
9	6	10	10	10	10	8	8	10	7	10	10	10	10	
0	0	0	0	0	0	2	0	0	3	3	0	3	1	
5	5	5	5	5	5	5	5	5	5	5	5	5	5	
10	9	10	10	10	7	10	10	10	8	8	10	8	10	
0	0	0	0	0	0	0	0	0	0	0	0	0	0	
98	95	73	103	105	102	105	95	105	100	106	103	93	105	0

MONTANA
Department of Commerce

MONTANA BOARD OF HOUSING

P.O. Box 200528 • Helena, Montana 59620-0528 • www.housing.mt.gov
Phone: 406-841-2840 • 1-800-761-6264 • Fax: 406-841-2841 • TDD: 406-841-2702

MEMO



From: Mary S. Bair
Re: LIHTC Applications
Date: April 9, 2012

We received 15 applications for Low Income Housing Tax Credits, totaling \$7,209,430. Rocky Mountain Development withdrew their North Stone Residences application.

The ranking of applications is attached. The proposal by staff is as follows:

Small Project Pool:

Haggerty Lane Apartments, Bozeman, with a score of 98
Sweet Grass Apartments, Shelby, with a score of 95

General Pool/Non Profit

Soroptimist Village, Great Falls, with a score of 106 (meets Non Profit mandate)
Blackfeet Homes V, Browning, considering great need on the reservation, with a score of 105
Parkview Village, Sidney, considering geographic location, with a score of 105

Two additional applications also earned a score of 105. Available tax credits would fund only one more application.

Depot Place, Kalispell
Hillview Apartments, Havre

**2012 Applications and Allocations
Montana Board of Housing
Low Income Housing Tax Credit Program**

Mary S. Bair
Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

406-841-2845
fax 406-841-2841

Resident Population	1,000,000
Factor	2.15
Credit Ceiling Available	\$ 2,465,000
Small State Minimum Ceiling	\$ 2,525,000
2011 Carryover Available	\$ 9,920
Returned Credits	\$ 2,746
Lolo Vista Apartments	\$ 17,685
Returned Credits	\$ 2,555,351
Superior Commons	
Total Credits Available	\$ 2,555,351

Set-a-sides:	
Small Project	\$ 511,070
Non Profit	\$ 255,535
General	\$ 1,788,746
	<u>\$ 2,555,351</u>

Allocations:

<u>Project</u>	<u>City</u>	<u>Round</u>	<u>Set-aside</u>	<u>Amount Requested</u>	<u>Proposed Award</u>	<u>Criteria Points</u>
Haggerty Lane Apartments	Bozeman	1/20/2012		\$ 200,000	\$ 200,000	98
Sweet Grass Apartments	Shelby	1/20/2012	non profit	\$ 200,000	\$ 200,000	95
The Haven Homes	Missoula	1/20/2012		\$ 125,000	\$ -	73
Small Project - Total				\$ 525,000	\$ 400,000	
Scroptimist Village	Great Falls	1/20/2012	Non-Profit	\$ 480,000	\$ 480,000	106
Blackfeet Homes V	Browning	1/20/2012	General	\$ 631,225	\$ 631,225	105
Parkview Village	Sidney	1/20/2012	Non-Profit	\$ 403,013	\$ 403,013	105
Depot Place	Kalispell	1/20/2012	General	\$ 608,000	\$ -	105
Hillview Apartments	Havre	1/20/2012	General	\$ 583,715	\$ -	105
Stoneridge Apartments	Bozeman	1/20/2012	General	\$ 631,250	\$ -	103
Aspen Place	Missoula	1/20/2012	Non-Profit	\$ 550,000	\$ -	103
Deer Park Apartments	Dillon	1/20/2012	Non-Profit	\$ 457,683	\$ -	102
Freedoms Path	Fort Harrison	1/20/2012	General	\$ 629,352	\$ -	100
Red Fox Apartments	Billings	1/20/2012	General	\$ 559,678	\$ -	95
Courtyards Apartments	Kalispell	1/20/2012	Non-Profit	\$ 539,264	\$ -	93

Remaining

Non-Profit / General - Total	\$ 6,053,180	\$ 1,514,238
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Grand - Total	\$ 6,578,180	\$ 1,914,238	\$ 641,113
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Selaside	Requests	App / Recom	Remaining
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Small Projects				
1st Round	\$	-	\$	-
2nd Round				
			\$	-
Non-Profit/General				
1st Round	\$	6,578,180	\$	1,514,238
2nd Round	\$	-	\$	-
			\$	-
			\$	1,041,113

credits recommended for qualifying non-profits = \$ 480,000

<u>Applications not Allocated/Withdrawn</u>				<u>Amount Requested</u>		<u>Criteria Points</u>	
North Stone Residence	Helena	1/20/2012	Non-Profit	\$	631,250	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
-				\$	-	\$	-
Total Applications not Funded				\$	-		
<u>Applications not Ranked</u>				\$	-		
-				\$	-		
Total Applications not Ranked				\$	-		
Grand Total Credits Requested				\$	6,578,160		

* Project information is on the second sheet of this excel workbook
L:\MultiFamily\LIHTCV\ANNUAL APPLICATION AND ALLOCATIONS SUMMARY\2012 Tax Credit Projects w withdrawn app.xls]Summr

**Low Income Housing Tax Credits
Cost Comparison Schedule
April 9, 2012 Round**

Cost per unit comparison:

	Land, Acq & Site	Const/ Rehab	Soft Costs	Reserves	Total	Cost per Sq Ft	Credit per Unit	Credit per Sq Ft	Tax Cr Ratio	Total Cost
Small Project (20%)										
(projects requesting \$200,000 credits or less)										
1	-	\$ 42,578	\$ 105,787	\$ 48,135	\$ 2,273	\$ 198,773	\$ 237.53	\$ 18,182	\$ 21.73	\$2,186,498
2	-	\$ 8,068	\$ 107,061	\$ 40,785	\$ 2,083	\$ 157,997	\$ 167.73	\$ 16,667	\$ 17.69	\$1,895,965
3	-	\$ 91,125	\$ 179,056	\$ 49,844	\$ 625	\$ 320,650	\$ 242.92	\$ 31,250	\$ 23.67	\$1,282,598
Non-Profit / General Pool (remainder)										
1	-	\$ 29,722	\$ 91,230	\$ 32,554	\$ 7,344	\$ 160,850	\$ 175.73	\$ 15,278	\$ 16.69	\$5,790,609
2	-	\$ 27,750	\$ 89,865	\$ 31,967	\$ 5,881	\$ 155,463	\$ 172.39	\$ 15,200	\$ 16.86	\$6,218,523
3	-	\$ 23,958	\$ 99,597	\$ 56,328	\$ 5,167	\$ 185,050	\$ 179.10	\$ 19,070	\$ 18.46	\$4,441,200
4	-	\$ 13,933	\$ 82,514	\$ 26,857	\$ 3,430	\$ 126,734	\$ 149.56	\$ 10,841	\$ 12.79	\$6,590,131
5	-	\$ 36,755	\$ 141,552	\$ 48,087	\$ 3,633	\$ 230,027	\$ 188.61	\$ 18,656	\$ 15.30	\$6,900,830
6	-	\$ 9,647	\$ 126,738	\$ 43,938	\$ 5,866	\$ 186,189	\$ 160.93	\$ 20,151	\$ 17.42	\$3,723,778
7	-	-	\$ 121,576	\$ 39,868	\$ 9,151	\$ 170,595	\$ 180.50	\$ 15,734	\$ 16.61	\$6,838,769
8	-	\$ 2,000	\$ 68,198	\$ 23,321	\$ 3,240	\$ 96,759	\$ 170.25	\$ 9,600	\$ 15.87	\$5,148,388
9	-	\$ 16,026	\$ 111,038	\$ 32,704	\$ 2,666	\$ 162,434	\$ 144.76	\$ 15,781	\$ 14.43	\$6,334,902
0	-	\$ 21,094	\$ 95,503	\$ 42,592	\$ 4,132	\$ 163,321	\$ 229.00	\$ 16,852	\$ 23.63	\$5,226,278
1	-	\$ 20,833	\$ 180,570	\$ 25,592	\$ -	\$ 226,995	\$ 149.44	\$ 26,301	\$ 17.31	\$5,447,898
										\$68,026,367
		\$ 24,535	\$ 114,306	\$ 38,755	\$ 3,964	\$ 181,560	\$ 182.03	\$ 17,826	\$ 17.75	
	average								82.0%	

Applications not Ranked

Applications withdrawn

North Stone Residences Helena

2012 Tax Credit Comparison

Project			Location	Unit Breakout										Energy				Green		Total Points Awarded
				0-30% AMI	31-40% AMI	41-50% AMI	51-60% AMI	Mgr Unit	Market Units	Total Units	Total TC units in community	Meets Threshold/ points	Discretionary Points	Meets Threshold/ points	Discretionary Points					
1	aggerly Lane Apartments	Bozeman	-	2	5	4			11	505	4	2	2	2	2	10				
2	Sweet Grass Apartments	Shelby	-	3	6	3			12	12	4	2	2	2	2	10				
3	Haven Homes	Missoula	-		1	3			4	1043	4	2		2	2	10				
4	Aspen Place	Missoula	-	4	23	8	1		36	1043	4	2	2	2	2	10				
5	Depot Place	Kalispell	-	4	25	10	1		40	539	4	2	2	2	2	10				
6	Deer Park Apartments	Dillon	-	4	20				24	24	4	2	2	2	2	10				
7	Hillview Apartments	Havre	-	6	32	13	1		52	36	4	2	2	2	2	10				
8	Red Fox Apartments	Billings	-	3	18	9			30	824	4	2	2	2	2	10				
9	Parkview Village	Sidney	-	3	13	4			20	0	4	2	2	2	2	10				
10	Freedoms Path	Fort Harrison	-	4	25	11			40	*0	4	2	2	2	2	10				
11	Soroptimist Village	Great Falls	-	5	31	6	1	7	50	268	4	2	2	2	2	10				
12	Stoneridge Apartments	Bozeman	-	5	24	10	1		40	505	4	2	2	2	2	10				
13	Courtyards Apartments	Kalispell	-		7	25			32	539	4	2	2	2	2	10				
14	Blackfeet Homes V	Browning	-	3	15	6			24	130	4	2	2	2	2	10				

415 *Helena has 346 TC Units

Selection Criteria

Extended Low Income Use (0-10 pts)

Serves lowest income tenants (0-22 pts)

Project Location (3 pts)

Housing Needs Consideration (14 pts)

Project Characteristics (16 pts)

Development Team Characteristics (6 pts)

Demonstration of Montana Presence (4 pts)

Participation of Local Entity (5 pts)

Tenant Populations with Special Housing Needs (10 pts)

3). Preservation of Affordable Housing Projects (3 pts)

I. Market Need (5 pts)

2. Intermediary Costs (10 pts)

3. Developer Prior Performance and Response (-20 pts)

PROJECT MINIMUM THRESHOLD = 80

AXIMUM THRESHOLD = 108

Small Projects					Large Projects									
Hagerly Lane Apartments	Sweet Grass Apartments	Haven Homes	Aspen Place	Depot Place	Deer Park Apartments	Hillview Apartments	Red Fox Apartments	Parkview Village	Freedoms Path	Soroptimist Village	Stoneidge Apartments	Courtyards Apartments	Blackteel Homes V	
Points Awarded			Points Awarded					Points Awarded					Points Awarded	
10	10	0	10	10	10	10	10	10	10	10	10	10	10	
17	17	12	22	22	22	22	17	22	22	22	22	12	22	
3	3	3	3	3	3	3	3	3	2	3	3	3	3	
13	14	13	14	14	14	14	13	14	14	14	14	14	14	
16	16	13	14	16	16	16	14	16	16	16	14	16	16	
6	6	3	6	6	6	6	6	6	6	6	6	3	5	
4	4	4	4	4	4	4	4	4	2	4	4	4	4	
5	5	0	5	5	5	5	5	5	5	5	5	5	5	
9	6	10	10	10	10	8	8	10	7	10	10	10	10	
0	0	0	0	0	0	2	0	0	3	3	0	3	1	
5	5	5	5	5	5	5	5	5	5	5	5	5	5	
10	9	10	10	10	7	10	10	10	8	8	10	8	10	
0	0	0	0	0	0	0	0	0	0	0	0	0	0	
98	95	73	103	105	102	105	95	105	100	106	103	93	105	0

**Blackfeet Homes V
Browning/Glacier**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
3-bdrm	40%	3	\$210	\$630
3-bdrm	50%	9	\$210	\$1,890
4-bdrm	50%	6	\$240	\$1,440
4-bdrm	60%	6	\$240	\$1,440
Total		24		\$5,400
		vacancy factor	5.00%	(\$270)
		Adjusted Rent		\$5,130
		other income		\$0
		total rent		\$5,130
		x 12 months		12
		Total Annual Income		\$61,560

Expenses

Administration	\$9,300	
Management	\$3,078	
Maintenance	\$18,433	
Operating	\$13,920	
Taxes	\$0	
Replacement Reserve	\$7,200	
Total Expenses		<u>\$51,931</u>
Net Income Before Debt Service		\$9,629

Sources and Uses

Blackfeet Housing soft loan \$398,604

Deferred Developer Fee	
Tax Credits	\$5,049,294
0	\$0
Total Sources:	<u>\$5,447,898</u>
Total Uses:	<u>\$5,447,898</u>
Difference:	\$0

% paid by Tax Credits: 92.7%
Assumes tax credits of: \$631,225
being sold for: \$0.80

Debt Coverage Ratio (DCR)

Net Income Before Debt Service

\$9,629

Total Debt Service

\$0

Debt Coverage Ratio

na

No hard debt, only hard debt issued to calculate DCR

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Blackfeet Homes V
Reviewed by: Mary Bair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 46 year commitment HO	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 13% at 40% of median - 63% at 50% of median - 24% at 60% of median	22 of 22 pts	<u>22</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	4 of 4 pts 6 of 6 pts 4 of 4 pts	<u>14</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	2 of 2 pts 4 of 4 pts 10 of 10 pts	<u>16</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	5 of 6 pts	<u>5</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 1 of 1 pts	<u>1</u>
11.	Market Need (5 pts) - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.62% Maximum 2% - General Requirements 3.34% Maximum 6% - Contractor Profit 0.00% Maximum 0% - Developer Fees (new and rehab) 7.16% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 12.71% Maximum 30%	10 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>
TOTAL POINTS			<u><u>105</u></u>

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Blackfeet Homes V
 various sites
 Browning, MT 59417

Credits Requested: \$631,225
Total Tax Credits Eligible For: \$631,225.06

Project Information: New Construction
 3 & 4 bdrm, Family
 46 year guaranteed low income use restriction/Home Ownership

Acres
8.2

Developer / Sponsor: Blackfeet Housing
 Chancy Kittson
 1200 SW Boundary, PO Box 449
 Browning, MT 59417

406-338-2241
chancy6@hotmail.com

For - Profit / Non - Profit: Government agency

Site Status: Lease agreement
 Existing Project/Zoning in Place

Amenities: 2 baths, playground sturcture, small basketball court, picnic tables

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>3-BDRM</u>	<u>4-BDRM</u>	<u>Totals</u>
40% AMI Maximum			\$589.00	\$657.00	
50% AMI Maximum			\$736.00	\$821.00	
60% AMI Maximum			\$883.00	\$985.00	
Voucher Payment Standard			\$826.00	\$935.00	

40% AMI

Units -	0	0	3	0	3
Rent -			\$210		

50% AMI

Units -	0	0	9	6	15
Rents -			\$210	\$240	

60% AMI

Units -	0	0	0	6	6
Rent -				\$240	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit

Units -	0	0	0	0	0
Rent -					

Unit Totals	0	0	12	12	24
sq ft / unit -	0	0	1,500	1,600	36,456

Totals

Tenant Paid Utilities: Gas Heat
 Electric Cooking
 Other Electric
 Gas Hot Water
 Water, Sewer, Trash

Proposed Start Date: Mar-13

Owner Paid Utilities:

Market Study Data:

	<u>Overall</u>
Vacancy Rates	0%
Capture Rate	5%
Absorption Rate	4-6 months
Units needed	519

Market Rents

3-bdrms	\$750
4-bdrms	\$825

Comments:

- Blackfeet Housing will subsidize rents up to \$250 a month
- IHP states there is a need for 519 rental units
- Market is approx 3,583 households
- Proposed rents are significantly less than market rents in the area
- 2 enregy companies have bought most of the rights to oil & natural gas exploration in Glacier County
most of those contracts have been made with the Blackfeet Tribe
- Eventual Home Ownership

Total Project Costs: \$5,447,898.00

Cost per unit breakdown:

Land Acq and Site	\$20,833
Construction (Rehab)	\$180,570
Soft Costs	\$25,592
Reserves	\$0
	<u>\$226,995</u>

Proposed Sources of Financing:

Blackfeet Housing soft loan \$398,604.00

Deferred Developer Fee	
Tax Credits	\$5,049,294.00
TOTAL	<u>\$5,447,898.00</u>

Total Units	24
Total Costs	\$5,447,898
Total Sq Feet	36,456
Cost Per Unit	\$226,996
Cost Per Square Foot	\$149.44
Credits Per Unit	\$26,301
Credits Per Sq Ft	\$17.31
Annual Credits	\$631,225

Staff Recommendation:**Conditions:**

3 of the units will be income targeted to 49% or less of Area Median Income Tenants
 15 of the units will be income targeted to 55% or less of Area Median Income Tenants
 6 of the units will be income targeted to 60% or less of Area Median Income Tenants
 0 of the units will be market rate units

3 of the units will have rents based on 40% of Area Median Income
 15 of the units will have rents based on 50% of Area Median Income
 6 of the units will have rents based on 60% of Area Median Income
 0 of the units will be market rate units

46 years extended use requirement/Eventual Home Ownership
 Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Red Fox Apartments
Billings/Yellowstone**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
1-bdrm	50%	4	\$507	\$2,028
2-bdrm	50%	12	\$622	\$7,464
2-bdrm	60%	8	\$732	\$5,856
3-bdrm	40%	2	\$548	\$1,096
3-bdrm	50%	1	\$713	\$713
3-bdrm	60%	1	\$868	\$868
4-bdrm	40%	1	\$601	\$601
4-bdrm	50%	1	\$796	\$796
Total Units		30		\$19,422
			vacancy factor 7.00%	(\$1,360)
			Adjusted Rent	\$18,062
			other income	\$270
			total rent	\$18,332
			x 12 months	12
			Total Annual Income	\$219,990

Expenses

Administration	\$12,000	
Management	\$20,300	
Maintenance	\$50,100	
Operating	\$12,200	
Taxes	\$12,000	
Replacement Reserve	\$9,000	
Total Expenses		\$115,600
Net Income Before Debt Service		\$104,390

Sources and Uses

Wells Fargo/US Bank loan	\$822,121		
Housing Auth Blgs- Equity	\$864,165		
Deferred Developer Fee	\$345,345		
Tax Credits	\$4,869,199		
Total Sources:	\$6,900,830		
Total Uses:	\$6,900,830		
Difference:	\$0		
		% paid by Tax Credits:	70.6%
		Assumes tax credits of:	\$559,678
		being sold for:	\$0.87

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$104,390
Total Debt Service	\$85,939
Debt Coverage Ratio	121.47%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Red Fox Apartments
 Reviewed by: Mary Blair

Selection Criteria						Points Awarded	
1.	Extended Low Income Use (0-10 pts)						10
	- 46 year commitment				10 of 10 pts		
2.	Serves lowest income tenants (0-22 pts)						17
	- 10%	at	40%	of median	2	17 of 22 pts	
	- 60%	at	50%	of median	15		
	- 30%	at	60%	of median	0		
3.	Project Location (3 pts)						3
	- Located in an area close to services.				3 of 3 pts		
4.	Housing Needs Consideration (14 pts)						13
	- Meets area housing needs and priorities and addresses area market concerns.				3 of 4 pts		
	- Appropriate size of development.				6 of 6 pts		
	- Appropriate for area housing market (rehab vs new const.)				4 of 4 pts		
5.	Project Characteristics (16 pts)						14
	- Preservation or increase of existing federally assisted housing stock.				0 of 2 pts		
	- Includes higher efficiency, quality, and amenities				4 of 4 pts		
	- Energy and green building material				10 of 10 pts		
6.	Development Team Characteristics (6 pts)						6
	- Participation of entity with demonstrated track record.				6 of 6 pts		
7.	Demonstration of Montana Presence (4 pts)						4
					4 of 4 pts		
8.	Participation of Local Entity (5 pts)						5
	- Significant participation				5 of 5 pts		
9.	Tenant Populations with Special Housing Needs (10 pts)						8
	(1 point for each 10% of units targeting the following)				8 of 10 pts		
	- Family units (2 bedrooms)						
	- Large family units (3 and 4 bedrooms)						
	- Handicapped units exceeding minimum ADA requirements						
	- Units targeted for elderly, mentally or developmentally disabled						
10.	Preservation of Affordable Housing Projects (3 pts)						0
	- Acquisition and/or rehab of existing affordable housing stock				0 of 2 pts		
	- Community revitalization plan				0 of 1 pts		
11.	Market Need (5 pts)						5
	- Project specific				5 of 5 pts		
12.	Intermediary Costs (10 pts)						10
	- Contractor Overhead	1.54%	Maximum	2%	10 of 10 pts		
	- General Requirements	4.85%	Maximum	6%			
	- Contractor Profit	4.63%	Maximum	6%			
	- Developer Fees (new and rehab)	13.69%	Maximum	15%			
	- Developer Fees (acquisition)	NA	Maximum	8%			
	- Soft Costs to Hard Costs	26.97%	Maximum	30%			
13.	Developer Prior Performance and Response (-20 pts)						
	- Management past performance record				0 of -10 pts		0
	- Late response to MBOH inquiries				0 of -10 pts		0
TOTAL POINTS							95

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Red Fox Apartments **Credits Requested:** \$559,678
 Souix Lane **Total Tax Credits Eligible For:** \$559,678.05
 Billings MT 59105

Project Information: New Construction **Acres**
 1,2,3,4-bdrm, Family 2.742
 46 year guaranteed low income use restriction

Developer / Sponsor: Housing Auth of Billings
 Lucy Brown 406-245-6391 ext 14
 2415 Frist Ave N lucyb@billingsha.org
 Billings MT 59101

For - Profit / Non - Profit: government entity

Site Status: Warranty Deed
 Utilities Available/Zoning in Place

Amenities: solar panels, a/c, dishwashers, car plug-ins, private park development, community room w/kitchen

Unit Mix:	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>4-BDRM</u>	<u>Totals</u>
40% AMI Maximum	\$485.00	\$582.00	\$582.00	\$672.00	
50% AMI Maximum	\$606.00	\$727.00	\$727.00	\$840.00	
60% AMI Maximum	\$727.00	\$873.00	\$873.00	\$1,008.00	
Voucher Payment Standard	\$595.00	\$770.00	\$770.00	\$1,039.00	

40% AMI

Units -	0	0	2	1	3
Rent -			\$548	\$601	

50% AMI

Units -	4	12	1	1	18
Rents -	\$507	\$622	\$713	\$796	

60% AMI

Units -	0	8	1	0	9
Rent -		\$732	\$868		

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit	0	0	0	0	0
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Unit Totals	4	20	4	2	30
sq ft / unit -	872	1,170	1,461	1,608	Totals 36,588

Tenant Paid Utilities: Gas Heat **Owner Paid Utilities:** Water, Sewer, Trash
 Air Conditioning
 Electric Cooking
 Other Electric
 Gas Hot Water

Proposed Start Date: Aug-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	2%
Capture Rate	4%
Absorption Rate	6-9 months
Units needed	739

	<u>Market Rents</u>
1-bdrms	\$730
2-bdrms	\$895
3-bdrms	\$990
4-bdrms	\$1,110

Comments:

- Market Analyst rated overall economy stable and growing
- Population projected to increase 4.4% between 2010 & 2015
- Number of households is increasing by about 400 a year
- Proposed rents are considerably less than market rents in the area
- Project is in Qualified Census tract by elected to not use the boost
- HAB -Whitetail Run placed in service in 2011 leased up in 5 months
- Market area households are approximately 45, 260

Total Project Costs: \$6,900,830.00

Proposed Sources of Financing:

Wells Fargo/US Bank loan \$822,121.00
Housing Auth Blgs- Equity \$864,165.00

Deferred Developer Fee \$345,345.00
Tax Credits \$4,869,199.00
TOTAL \$6,900,830.00

Cost per unit breakdown:

Land Acq and Site \$36,755
Construction (Rehab) \$141,552
Soft Costs \$48,087
Reserves \$3,633
\$230,027

Total Units 30
Total Costs \$6,900,830
Total Sq Feet 36,588
Cost Per Unit \$230,027
Cost Per Square Foot \$188.61
Credits Per Unit \$18,656
Credits Per Sq Ft \$15.30
Annual Credits \$559,678

Staff Recommendation:**Conditions:**

- 3 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 18 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 9 of the units will be income targeted to 60% of Area Median Income Tenants
- 0 of the units will be market rate units

- 3 of the units will have rents based on 40% of Area Median Income
- 18 of the units will have rents based on 50% of Area Median Income
- 9 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

Haggerty Lane
Bozeman/Gallatin

Income

	<u>Targeting</u>	<u>Number of</u> <u>Units</u>	<u>Net</u> <u>Rent</u>	<u>Total</u> <u>Rent</u>
1-bdrm	40%	1	\$420	\$420
2-bdrm	40%	1	\$505	\$505
2-bdrm	50%	5	\$585	\$2,925
2-bdrm	60%	4	\$615	\$2,460
Total Units		11		\$6,310
		vacancy factor	7.00%	(\$442)
		Adjusted Rent		\$5,868
		other income		\$130
		total rent		\$5,998
		x 12 months		12
		Total Annual Income		\$71,980

Expenses

Administration	\$2,985	
Management	\$4,318	
Maintenance	\$13,335	
Operating	\$7,490	
Taxes	\$7,700	
Replacement Reserve	\$3,300	
Total Expenses		\$39,128
Net Income Before Debt Service		\$32,852

Sources and Uses

Big Sky Western Bank loan	\$360,000		
Oper. Cash flow during const	\$26,899		
Cottage Partners LP	\$104,759		
Deferred Developer Fee	\$95,000		
Tax Credits	\$1,599,840		
0	\$0		
Total Sources:	\$2,186,498		
Total Uses:	\$2,186,498		
Difference:	\$0		
		% paid by Tax Credits:	73.2%
		Assumes tax credits of:	\$200,000
		being sold for:	\$0.80

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$32,852
Total Debt Service	\$27,305
Debt Coverage Ratio	120.31%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Haggerty Lane
Reviewed by: Mary Blair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 55 year commitment	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 18% at 40% of median - 45% at 50% of median - 36% at 60% of median	17 of 22 pts	<u>17</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. - Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	3 of 4 pts 6 of 6 pts 4 of 4 pts	<u>13</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	2 of 2 pts 4 of 4 pts 10 of 10 pts	<u>16</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	6 of 6 pts	<u>6</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	9 of 10 pts	<u>9</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 0 of 1 pts	<u>0</u>
11.	Market Need - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.57% Maximum 2% - General Requirements 5.56% Maximum 6% - Contractor Profit 4.63% Maximum 6% - Developer Fees (new and rehab) 14.35% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 32.44% Maximum 30%	7 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>
TOTAL POINTS			<u><u>98</u></u>

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Haggerty Lane
 TDB Haggerty Lane @ Little Cottage Lane
 Bozeman MT 59715

Credits Requested: \$200,000
Total Tax Credits Eligible For: \$206,380.86

Project Information: New Construction
 1 & 2 bdrm, Family
 55 year guaranteed low income use restriction

Acres
 0.62

Developer / Sponsor: Farmhouse Partners
 Wm "Dab" Dabney
 2555 W. College, Ste B
 Bozeman, MT 59715

406-585-9808
farmhouse@bridgeband.com

For - Profit / Non - Profit: For-Profit/Non-Profit Joint Venture

Site Status: Purchase Contract
 Zoning in Place

Amenities: dishwashers, garbage disposals

Unit Mix:	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum		\$507.00	\$609.00		
50% AMI Maximum		\$634.00	\$761.00		
60% AMI Maximum		\$761.00	\$913.00		
Voucher Payment Standard		\$599.00	\$780.00		

40% AMI

Units -	0	1	1	0	2
Rent -		\$420	\$505		

50% AMI

Units -	0	0	5	0	5
Rents -			\$585		

60% AMI

Units -	0	0	4	0	4
Rent -			\$615		

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit

	0	0	0	0	0
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Unit Totals	0	1	10	0	11
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sq ft / unit -	0	525	768	0	9,205
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Tenant Paid Utilities: Gas Heat Air Conditioning Electric Cooking Other Electric Gas Hot Water	Owner Paid Utilities: Water, Sewer, Trash
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Proposed Start Date: Sep-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	1%
Capture Rate	6%
Absorption Rate	3 months
Units needed	195

Market Rents

1-bdrms	\$683
2-bdrms	\$768

Comments:

- Market Analyst rated overall economy stable
- Seller to donate cash contribution of \$104,759 to offset cost of land
- Market is approx 15,932 households
- Proposed rents are considerably less than market rents in the area
- Proposed property will not have significant impact on other properties

Total Project Costs: \$2,186,498.00

Proposed Sources of Financing:

Big Sky Western Bank loan	\$360,000.00
Oper. Cash flow during const	\$26,899.00
Cottage Partners LP	\$104,759.00

Deferred Developer Fee	\$95,000.00
Tax Credits	\$1,599,840.00
TOTAL	<u><u>\$2,186,498.00</u></u>

Cost per unit breakdown:

Land Acq and Site	\$42,578
Construction (Rehab)	\$105,787
Soft Costs	\$48,135
Reserves	\$2,273
	<u><u>\$198,773</u></u>

Total Units	11
Total Costs	\$2,186,498
Total Sq Feet	9,205
Cost Per Unit	\$198,773
Cost Per Square Foot	\$237.53
Credits Per Unit	\$18,182
Credits Per Sq Ft	\$21.73
Annual Credits	\$200,000

Staff Recommendation:**Conditions:**

- 2 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 5 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 4 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 0 of the units will be market rate units

- 2 of the units will have rents based on 40% of Area Median Income
- 5 of the units will have rents based on 50% of Area Median Income
- 4 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

55 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Stoneridge Apartments
Bozeman/Gallatin**

As of February 13, 2012
Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
2-bdrm	40%	3	\$506	\$1,518
2-bdrm	50%	12	\$515	\$6,180
2-bdrm	60%	5	\$535	\$2,675
3-bdrm	40%	2	\$568	\$1,136
3-bdrm	50%	12	\$650	\$7,800
3-bdrm	60%	5	\$670	\$3,350
Total Units		39		\$22,659
		vacancy factor:	7.00%	(\$1,586)
		Adjusted Rent		\$21,073
		other income		\$435
		total rent		\$21,508
		x 12 months		12
		Total Annual Income		\$258,094

Expenses

Administration	\$17,250	
Management	\$15,486	
Maintenance	\$54,116	
Operating	\$29,000	
Taxes	\$30,000	
Replacement Reserve	\$12,000	
Total Expenses		\$157,852
Net Income Before Debt Service		\$100,242

Sources and Uses

Boston Capital loan	\$969,814
Deferred Developer Fee	
Tax Credits	\$5,365,088
0	\$0
Total Sources:	\$6,334,902
Total Uses:	\$6,334,902
Difference:	\$0

% paid by Tax Credits: 84.7%
Assumes tax credits of: \$631,250
being sold for: \$0.85

Debt Coverage Ratio (DCR)

Net Income Before Debt Service

\$100,242

Total Debt Service

\$81,373

Debt Coverage Ratio

123.19%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Stoneridge Apartments
 Reviewed by: Mary Bair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 46 year commitment	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 13% at 40% of median - 62% at 50% of median - 25% at 60% of median	22 of 22 pts	<u>22</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	4 of 4 pts 6 of 6 pts 4 of 4 pts	<u>14</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	0 of 2 pts 4 of 4 pts 10 of 10 pts	<u>14</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	6 of 6 pts	<u>6</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 0 of 1 pts	<u>0</u>
11.	Market Need (5 pts) - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.79% Maximum 2% - General Requirements 5.87% Maximum 6% - Contractor Profit 5.36% Maximum 6% - Developer Fees (new and rehab) 14.60% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 25.74% Maximum 30%	10 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>

TOTAL POINTS

103

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Stoneridge Apartments
 TBD Tschache Ln
 Bozeman, MT 59715
 Credits Requested: \$631,250
Total Tax Credits Eligible For: \$632,497.28

Project Information: New Construction
 2 & 3 bdrm, Family
 46 year guaranteed low income use restriction

Acres
2.5

Developer / Sponsor: Summit Housing Group
 Scott Keiper
 283 W Front St Ste 1
 Missoula, MT 59802
 406-541-0999 ext 233
scott@summithousing.com

For - Profit / Non - Profit: For-Profit/Non-Profit Joint Venture

Site Status: Purchase Contract
 Utilities Available/Zoning in Place

Amenities: microwave/hood, dishwasher, disposal, washer/dryer, ceiling fans, individual tenant storage, covered parking, Childrens play area

Unit Mix:	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum			\$609.00	\$703.00	
50% AMI Maximum			\$761.00	\$879.00	
60% AMI Maximum			\$913.00	\$1,055.00	
Voucher Payment Standard			\$780.00	\$1,041.00	

40% AMI

Units -	0	0	3	2	5
Rent -			\$506	\$568	

50% AMI

Units -	0	0	12	12	24
Rents -			\$515	\$650	

60% AMI

Units -	0	0	5	5	10
Rent -			\$535	\$670	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit	0	0	0	1	1
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Unit Totals	0	0	20	20	40
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sq ft / unit -	0	0	1,014	1,174	43,760
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Tenant Paid Utilities: Gas Heat Air Conditioning Electric Cooking Other Electric Gas Hot Water	Owner Paid Utilities: Water, Sewer, Trash
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Proposed Start Date: Sep-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	1%
Capture Rate	8%
Absorption Rate	2-3 months
Units needed	525

Market Rents

2-bdrms	\$852
3-bdrms	\$998

Comments:

- Market Analyst rated overall economy is fairly stable
- Market Analyst state this property will fill a very strong need in the community
- Market is approx 17,774 households
- Proposed rents are considerably less than market rents in the area
- Developer has requested an impact fee reduction from the City of Bozeman

Total Project Costs:	\$6,334,902.00	Cost per unit breakdown:	
		Land Acq and Site	\$16,026
		Construction (Rehab)	\$111,038
		Soft Costs	\$32,704
Proposed Sources of Financing:		Reserves	\$2,666
Boston Capital loan	\$969,814.00		<u>\$162,434</u>
		Total Units	40
		Total Costs	\$6,334,902
Deferred Developer Fee		Total Sq Feet	43,760
Tax Credits	\$5,365,088.00	Cost Per Unit	\$158,373
TOTAL	<u>\$6,334,902.00</u>	Cost Per Square Foot	\$144.76
		Credits Per Unit	\$15,781
		Credits Per Sq Ft	\$14.43
		Annual Credits	\$631,250

Staff Recommendation:**Conditions:**

5 of the units will be income targeted to 49% or less of Area Median Income Tenants
 24 of the units will be income targeted to 55% or less of Area Median Income Tenants
 11 of the units will be income targeted to 60% of Area Median Income Tenants
 0 of the units will be market rate units

5 of the units will have rents based on 40% of Area Median Income
 24 of the units will have rents based on 50% of Area Median Income
 11 of the units will have rents based on 60% of Area Median Income
 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Deer Park Apartments
Dillon/Beaverhead**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
1-bdrm	35%	2	\$296	\$592
1-bdrm	40%	8	\$350	\$2,800
1-bdrm	45%	8	\$403	\$3,224
2-bdrm	35%	2	\$355	\$710
2-bdrm	40%	2	\$419	\$838
2-bdrm	45%	2	\$482	\$964
Total Units		24		\$9,128
		vacancy factor	7.00%	(\$639)
		Adjusted Rent		\$8,489
		other income		\$280
		total rent		\$8,769
		x 12 months		12
		Total Annual Income		\$105,228

Expenses

Administration	\$11,080	
Management	\$7,909	
Maintenance	\$44,800	
Operating	\$15,500	
Taxes	\$6,000	
Replacement Reserve	\$6,000	
Total Expenses		<u>\$91,289</u>
Net Income Before Debt Service		\$13,939

Sources and Uses

MBOH loan	\$163,101	
Butte Affordable Housing-HOME	\$500,000	
HOME matching funds	\$25,000	
Developer Equity	\$101	
Deferred Developer Fee	\$0	
Tax Credits	\$3,752,998	
0	\$0	
Total Sources:	<u>\$4,441,200</u>	
Total Uses:	<u>\$4,441,200</u>	
Difference:	\$0	
		% paid by Tax Credits: 84.5%
		Assumes tax credits of: \$457,683
		being sold for: \$0.82

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$13,939
Total Debt Service	\$10,507
Debt Coverage Ratio	132.67%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Deer Park Apartments
 Reviewed by: Mary Blair

Selection Criteria						Points Awarded	
1.	Extended Low Income Use (0-10 pts)						<u>10</u>
	- 46 year commitment				10 of	10 pts	
2.	Serves lowest income tenants (0-22 pts)						<u>22</u>
	- 17% at 40% of median				22 of	22 pts	
	- 75% at 50% of median						
	- at 60% of median						
3.	Project Location (3 pts)						<u>3</u>
	- Located in an area close to services.				3 of	3 pts	
4.	Housing Needs Consideration (14 pts)						<u>14</u>
	- Meets area housing needs and priorities and addresses area market concerns.				4 of	4 pts	
	- Appropriate size of development.				6 of	6 pts	
	- Appropriate for area housing market (rehab vs new const.)				4 of	4 pts	
5.	Project Characteristics (16 pts)						<u>16</u>
	- Preservation or increase of existing federally assisted housing stock.				2 of	2 pts	
	- Includes higher efficiency, quality, and amenities				4 of	4 pts	
	- Energy and green building material				10 of	10 pts	
6.	Development Team Characteristics (6 pts)						<u>6</u>
	- Participation of entity with demonstrated track record.				6 of	6 pts	
7.	Demonstration of Montana Presence (4 pts)						<u>4</u>
					4 of	4 pts	
8.	Participation of Local Entity (5 pts)						<u>5</u>
	- Significant participation				5 of	5 pts	
9.	Tenant Populations with Special Housing Needs (10 pts)						<u>10</u>
	(1 point for each 10% of units targeting the following)				10 of	10 pts	
	- Family units (2 bedrooms)						
	- Large family units (3 and 4 bedrooms)						
	- Handicapped units exceeding minimum ADA requirements						
	- Units targeted for elderly, mentally or developmentally disabled						
10.	Preservation of Affordable Housing Projects (3 pts)						<u>0</u>
	- Acquisition and/or rehab of existing affordable housing stock				0 of	2 pts	
	- Community revitalization plan				0 of	1 pts	
11.	Market Need						<u>5</u>
	- Project specific				5 of	5 pts	
12.	Intermediary Costs (10 pts)						<u>7</u>
	- Contractor Overhead 1.54% Maximum 2%				7 of	10 pts	
	- General Requirements 5.20% Maximum 8%						
	- Contractor Profit 4.98% Maximum 8%						
	- Developer Fees (new and rehab) 14.78% Maximum 15%						
	- Developer Fees (acquisition) NA Maximum 8%						
	- Soft Costs to Hard Costs 45.59% Maximum 30%						
13.	Developer Prior Performance and Response (-20 pts)						
	- Management past performance record				of	-10 pts	0
	- Late response to MBOH inquiries				of	-10 pts	0
TOTAL POINTS							<u>102</u>

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Deer Park Apartments
 Harrington Ave & Walnut St
 Dillon, MT 59725

Credits Requested: \$457,683
Total Tax Credits Eligible For: \$457,683.00

Project Information: New Construction
 1 & 2 bdrm, Senior
 46 year guaranteed low income use restriction

Acres
 1.8

Developer / Sponsor: Thomas Development Co.
 413 W. Idaho St., Ste 200
 Boise, ID 83702

208-343-8877 ext 202
tmannschreck@thomasdevelopment.com

For - Profit / Non - Profit: non profit

Site Status: Purchase Contract
 Utilities Available/Zoning in Place

Amenities: Carports, community area, business center, library, exercise center & craft room

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
35% AMI Maximum		\$371.00	\$446.00		
40% AMI Maximum		\$425.00	\$510.00		
45% AMI Maximum		\$478.00	\$573.00		
Voucher Payment Standard		\$482.00	\$633.00		

35% AMI

Units -	0	2	2	0	4
Rent -		\$296	\$355		

40% AMI

Units -	0	8	2	0	10
Rent -		\$350	\$419		

45% AMI

Units -	0	8	2	0	10
Rent -		\$403	\$482		

Unit Totals	0	18	6	0	24
sq ft / unit -	0	681	945	0	24,798

Tenant Paid Utilities: Gas Heat Electric Cooking Other Electric Gas Hot Water	Owner Paid Utilities: Water, Sewer, Trash
---	--

Proposed Start Date: Sep-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	5%
Capture Rate	59%
Absorption Rate	3 months
Units needed	41

Market Rents

1-bdrms	\$558
2-bdrms	\$682

Comments:

- Market Analyst rated overall economy Fair but improving
- Applying for HOME funds
- Market is approx 1,960 households
- Strong city government support, received a few negative comments from current landlords
- Proposed rents are significantly lower then adjusted market rents
- Senior property age 55 & up
- Project designed to qualify for LEED for Homes certification

Total Project Costs:	\$4,441,200.00	Cost per unit breakdown:	
		Land Acq and Site	\$23,958
		Construction (Rehab)	\$99,597
		Soft Costs	\$56,328
		Reserves	\$5,167
			<u>\$185,050</u>
Proposed Sources of Financing:			
Wells Fargo/MBOH	\$163,101.00		
Butte Affordable Housing-HOME	\$500,000.00		
HOME matching funds	\$25,000.00		
Developer Equity	\$101.00		
		Total Units	24
Deferred Developer Fee	\$0.00	Total Costs	\$4,441,200
Tax Credits	\$3,752,998.00	Total Sq Feet	24,798
TOTAL	<u>\$4,441,200.00</u>	Cost Per Unit	\$185,050
		Cost Per Square Foot	\$179.10
		Credits Per Unit	\$19,070
		Credits Per Sq Ft	\$18.46
		Annual Credits	\$457,683

Staff Recommendation:**Conditions:**

- 4 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 20 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 0 of the units will be income targeted to 60% of Area Median Income Tenants
- 0 of the units will be market rate units

- 4 of the units will have rents based on 40% of Area Median Income
- 20 of the units will have rents based on 50% of Area Median Income
- 0 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Freedom's Path
Fort Harrison/L&C**

As of February 13, 2012
Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
0-bdrm	50%	1	\$452	\$452
1-bdrm	40-50-60%	10	\$505	\$5,050
2-bdrm	50-60%	8	\$644	\$5,152
2-bdrm	40%	1	\$516	\$516
2-bdrm	50-60%	16	\$669	\$10,704
2-bdrm	40%	2	\$516	\$1,032
4-bdrm	50%	1	\$828	\$828
4-bdrm	60%	1	\$848	\$848
Total Units		40		\$24,582
			vacancy factor 12.00%	(\$2,950)
			Adjusted Rent	\$21,632
			other income	\$0
			total rent	\$21,632
			x 12 months	12
			Total Annual Income	\$259,586

Expenses

Administration	\$34,400	
Management	\$15,575	
Maintenance	\$133,730	
Operating	\$25,070	
Taxes	\$0	
Replacement Reserve	\$14,720	
Total Expenses		\$223,495
Net Income Before Debt Service		\$36,091

Sources and Uses

FHLB AHP	\$300,000		
RBC Historic Tax Credits	\$1,069,330		
Deferred Developer Fee	\$120,478		
Tax Credits	\$5,348,961	% paid by Tax Credits:	78.2%
0	\$0	Assumes tax credits of:	\$629,352
Total Sources:	\$6,838,769	being sold for:	\$0.85
Total Uses:	\$6,838,769		
Difference:	\$0		

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$36,091
Total Debt Service	\$0
Debt Coverage Ratio	NA

No Hard debt, only hard debt is used for DCR calculation

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Freedom's Path
Reviewed by: Mary Bair

Selection Criteria						Points Awarded
1.	Extended Low Income Use (0-10 pts)					10
	- 50 year commitment				10 of 10 pts	
2.	Serves lowest income tenants (0-22 pts)					22
	- 10% at 40% of median				22 of 22 pts	
	- 63% at 50% of median					
	- 27% at 60% of median					
3.	Project Location (3 pts)					2
	- Located in an area close to services.				2 of 3 pts	
4.	Housing Needs Consideration (14 pts)					14
	- Meets area housing needs and priorities and addresses area market concerns.				4 of 4 pts	
	Appropriate size of development.				6 of 6 pts	
	- Appropriate for area housing market (rehab vs new const.)				4 of 4 pts	
5.	Project Characteristics (16 pts)					16
	- Preservation or increase of existing federally assisted housing stock.				2 of 2 pts	
	- Includes higher efficiency, quality, and amenities				4 of 4 pts	
	- Energy and green building material				10 of 10 pts	
6.	Development Team Characteristics (6 pts)					6
	- Participation of entity with demonstrated track record.				6 of 6 pts	
7.	Demonstration of Montana Presence (4 pts)					2
					2 of 4 pts	
8.	Participation of Local Entity (5 pts)					5
	- Significant participation				5 of 5 pts	
9.	Tenant Populations with Special Housing Needs (10 pts)					7
	(1 point for each 10% of units targeting the following)				7 of 10 pts	
	- Family units (2 bedrooms)					
	- Large family units (3 and 4 bedrooms)					
	- Handicapped units exceeding minimum ADA requirements					
	- Units targeted for elderly, mentally or developmentally disabled					
10.	Preservation of Affordable Housing Projects (3 pts)					3
	- Acquisition and/or rehab of existing affordable housing stock				2 of 2 pts	
	- Community revitalization plan				1 of 1 pts	
11.	Market Support (5 pts)					5
	- Project specific				5 of 5 pts	
12.	Intermediary Costs (10 pts)					8
	- Contractor Overhead	1.51%	Maximum	2%	8 of 10 pts	
	- General Requirements	4.74%	Maximum	6%		
	- Contractor Profit	4.52%	Maximum	6%		
	- Developer Fees (new and rehab)	14.96%	Maximum	15%		
	- Developer Fees (acquisition)	NA	Maximum	8%		
	- Soft Costs to Hard Costs	32.79%	Maximum	30%		
13.	Developer Prior Performance and Response (-20 pts)					
	- Management past performance record				0 of -10 pts	0
	- Late response to MBOH inquiries				0 of -10 pts	0
TOTAL POINTS						100

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Freedom's Path
 3687 Veterans Drive
 Fort Harrison, MT 59636

Credits Requested: \$629,352
Total Tax Credits Eligible For: \$630,847.74

Project Information: Acquisition Rehab
 0,1,2, & 4-bdrm, Family
 50 year guaranteed low income use restriction

Acres
5

Developer / Sponsor: Communities for Veterans Montana LLC
 Donald Paxton
 2206 Jo An Drive
 Sarasota, FL 34231

941-929-1270
Dpaxton@beneficialcom.com

For - Profit / Non - Profit: for profit

Site Status: Purchase Contract
 Existing Project/Zoning in Place

Amenities: microwaves, ceiling fans, free internet, fitness center, tot lot, computer room, game room, laundry, community room

Unit Mix:	0-BDRM	1-BDRM	2-BDRM	4-BDRM	Totals
40% AMI Maximum	\$493.00	\$528.00	\$633.00	\$816.00	
50% AMI Maximum	\$616.00	\$660.00	\$791.00	\$1,020.00	
60% AMI Maximum	\$739.00	\$792.00	\$949.00	\$1,224.00	
Voucher Payment Standard	\$456.00	\$557.00	\$696.00	\$1,033.00	

40% AMI

Units -	1	1	2	0	4
Rent -	\$452	\$505	\$516		

50% AMI

Units -	1	6	17	1	25
Rents -	\$452	\$505	\$644	\$828	

60% AMI

Units -	0	3	7	1	11
Rent -		\$505	\$669	\$848	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit	0	0	0	0	0
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Unit Totals	7	10	26	2	40
sq ft / unit -	390	650	963	1,940	Totals 37,888

Tenant Paid Utilities:

Owner Paid Utilities:

Water, Sewer, Trash
 Elect Heat
 Air Conditioning
 Electric Cooking
 Other Electric
 Elect Hot Water

Proposed Start Date: Oct-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	2%
Capture Rate	14%
Absorption Rate	5-6 months
Units needed	287

	<u>Market Rents</u>
0-bdrms	\$600
1-bdrms	\$675
2-bdrms	\$830
3-bdrms	\$1,300

Comments:

- Market Analyst rated overall economy as stable
- VA medical facility will provide some supportive services
- Homeless Supportive Services agreement with Affordable Housing Solutions
- Proposed rents are considerably less than market rents in the area
- Land and buildings valued at \$1,600,000 are being leased from VA at a minimal rate

Total Project Costs:		\$6,838,769.00	Cost per unit breakdown:	
			Land Acq and Site	\$0
			Construction (Rehab)	\$121,576
			Soft Costs	\$39,868
Proposed Sources of Financing:			Reserves	\$9,151
				<u>\$170,595</u>
	FHLB AHP	\$300,000.00		
			Total Units	40
			Total Costs	\$6,838,769
			Total Sq Feet	37,888
			Cost Per Unit	\$170,969
			Cost Per Square Foot	\$180.50
			Credits Per Unit	\$15,734
			Credits Per Sq Ft	\$16.61
			Annual Credits	\$629,352
	RBC Historic Tax Credits	\$1,069,330.00		
	Deferred Developer Fee	\$120,478.00		
	Tax Credits	<u>\$5,348,961.00</u>		
	TOTAL	<u>\$6,838,769.00</u>		

Staff Recommendation:**Conditions:**

- 4 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 25 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 11 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 0 of the units will be market rate units

- 4 of the units will have rents based on 40% of Area Median Income
- 25 of the units will have rents based on 50% of Area Median Income
- 11 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

50 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Soroptimist Village
Great Falls/Cascade**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
0-bdrm	40%	4	\$218	\$872
0-bdrm	50%	11	\$278	\$3,058
0-bdrm	60%	3	\$288	\$864
0-bdrm	100%	3	\$298	\$894
1-bdrm	40%	1	\$323	\$323
1-bdrm	50%	20	\$353	\$7,060
1-bdrm	60%	4	\$373	\$1,492
1-bdrm	100%	4	\$523	\$2,092
Total Units		50		\$16,655
		vacancy factor	1.00%	(\$167)
		Adjusted Rent		\$16,488
		other income		\$350
		total rent		\$16,838
		x 12 months		12
		Total Annual Income		\$202,061

Expenses

Administration	\$19,275	
Management	\$15,000	
Maintenance	\$86,400	
Operating	\$37,915	
Taxes	\$1,500	
Replacement Reserve	\$15,000	
Total Expenses		\$175,090
Net Income Before Debt Service		\$26,971

Sources and Uses

US Bank loan	\$300,000		
Northwestern Energy soft loan	\$50,000		
Soroptimist Village Equity	\$290,000		
Deferred Developer Fee	\$63,018		
Tax Credits	\$4,416,000		
Energy Credits	\$29,370		
Total Sources:	\$5,148,388		
Total Uses:	\$5,148,388		
Difference:	\$0		
		% paid by Tax Credits:	85.8%
		Assumes tax credits of:	\$480,000
		being sold for:	\$0.92

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$26,971
Total Debt Service	\$23,111
Debt Coverage Ratio	116.71%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Soroptimist Village
Reviewed by: Mary Bair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 46 year commitment	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 10% at 40% of median - 62% at 50% of median - at 60% of median	22 of 22 pts	<u>22</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	4 of 4 pts 6 of 6 pts 4 of 4 pts	<u>14</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	2 of 2 pts 4 of 4 pts 10 of 10 pts	<u>16</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	6 of 6 pts	<u>6</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	2 of 2 pts 1 of 1 pts	<u>3</u>
11.	Market Need - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.81% Maximum 2% - General Requirements 5.52% Maximum 6% - Contractor Profit 5.54% Maximum 6% - Developer Fees (new and rehab) 11.19% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 33.22% Maximum 30%	8 of 10 pts	<u>8</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>
TOTAL POINTS			<u><u>106</u></u>

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Soroptimist Village
 2400 13th Ave S
 Great Falls MT 59405

Credits Requested: \$480,000
Total Tax Credits Eligible For: \$481,919.69

Project Information: Acquisition/Rehab
 Studio, 1-bdrm and Elderly
 46 year guaranteed low income use restriction

Acres
 2.05

Developer / Sponsor: Homeword Inc
 Heather McMillin
 127 N Higgins Ave #307
 Missoula MT 59802

406-532-4663 ext 36
heather@homeword.org

For - Profit / Non - Profit: Non-Profit

Site Status: Purchase Contract
 Existing Project/Zoning in Place

Amenities: dishwasher, a/c, secured entry, large community room and kitchen, garden, gazebo, plug-ins in parking lot

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum	\$397.00	\$397.00			
50% AMI Maximum	\$496.00	\$496.00			
60% AMI Maximum	\$595.00	\$595.00			
Voucher Payment Standard	\$405.00	\$405.00			

40% AMI

Units -	4	1	0	0	5
Rent -	\$218	\$323			

50% AMI

Units -	11	20	0	0	31
Rents -	\$278	\$353			

60% AMI

Units -	3	3	0	0	6
Rent -	\$288	\$373			

Market Rate

Units -	3	4	0	0	7
Rent -	\$298	\$523			

Manager Unit	0	1	0	0	1
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Unit Totals	21	29	0	0	50
sq ft / unit -	368	523	0	0	30,240

Tenant Paid Utilities:

Owner Paid Utilities:

Water, Sewer, Trash
 Gas Heat
 Air Conditioning
 Electric Cooking
 Other Electric
 Gas Hot Water

Proposed Start Date: Aug-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	2%
Capture Rate	29%
Absorption Rate	1 month
Units needed	173

	<u>Market Rents</u>
0-bdrms	\$500
1-bdrms	\$658

Comments:

- Market Analyst rated overall economy fair with improvement in the future
- located across the street from Benfis Campus (medical services)
- Market is approx 4,660 households
- Proposed rents are considerably less than market rents in the area
- 10 studios will be consolidated to create 5 one bedrooms
- Soroptimist Village is donating the land and buildings to the limited partnership

Total Project Costs:	\$5,148,388.00	Cost per unit breakdown:	
		Land Acq and Site	\$2,000
		Construction (Rehab)	\$68,198
		Soft Costs	\$23,321
		Reserves	\$3,240
			<u>\$96,759</u>
Proposed Sources of Financing:			
US Bank loan	\$300,000.00		
Northwestern Energy soft loan	\$50,000.00		
Soroptimist Village Equity	\$290,000.00	Total Units	50
Deferred Developer Fee	\$63,018.00	Total Costs	\$5,148,388
Tax Credits	\$4,416,000.00	Total Sq Feet	30,240
Energy Credits	\$29,370.00	Cost Per Unit	\$102,968
TOTAL	<u>\$5,148,388.00</u>	Cost Per Square Foot	\$170.25
		Credits Per Unit	\$9,600
		Credits Per Sq Ft	\$15.87
		Annual Credits	\$480,000

Staff Recommendation:**Conditions:**

- 5 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 31 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 7 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 7 of the units will be market rate units
- 5 of the units will have rents based on 40% of Area Median Income
- 31 of the units will have rents based on 50% of Area Median Income
- 7 of the units will have rents based on 60% of Area Median Income
- 7 of the units will be market rate units
- 46 years extended use requirement
- Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

Hillview
Havre/ Hill

As of February 13,2012

Income

	<u>Targeting</u>
1-bdrm	40,50,60%
2-bdrm	40,50,60%
3-bdrm	40,50,60%
4-bdrm	40,50,60%
mgr unit	0%
Total Units	

<u>Number of</u> <u>Units</u>	<u>Net</u> <u>Rent</u>	<u>Total</u> <u>Rent</u>
8	\$476	\$3,808
7	\$552	\$3,864
24	\$679	\$16,296
12	\$776	\$9,312
1	\$0	\$0
52		\$33,280
vacancy factor	5.00%	(\$1,664)
	Adjusted Rent	\$31,616
	other income	\$417
	total rent	\$32,033
	x 12 months	12
	Total Annual Income	\$384,396

Expenses

Administration
Management
Maintenance
Operating
Taxes
Replacement Reserve
Total Expenses
Net Income Before Debt Service

	\$19,000
	\$17,283
	\$150,783
	\$30,000
	\$10,832
	\$20,800
	\$248,698
	\$135,698

Sources and Uses

PNC Real Estate	\$1,500,842
Replacement Reserve-seller	\$29,000
Solar Credit Exchange	\$69,000
Deferred Developer Fee	\$87,459
Tax Credits	\$4,903,830
0	\$0
Total Sources:	\$6,590,131
Total Uses:	\$6,590,131
Difference:	\$0

% paid by Tax Credits:	74.4%
Assumes tax credits of:	\$563,715
being sold for:	\$0.87

Debt Coverage Ratio (DCR)

Net Income Before Debt Service
Total Debt Service
Debt Coverage Ratio

	\$135,698
	\$107,980
	125.67%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Hillview
Reviewed by: Mary Bair

Selection Criteria						Points Awarded
1.	Extended Low Income Use (0-10 pts)					10
	- 46 year commitment				10 of 10 pts	
2.	Serves lowest income tenants (0-22 pts)					22
	- 12% at 40% of median				22 of 22 pts	
	- 62% at 50% of median					
	- 25% at 60% of median					
3.	Project Location (3 pts)					3
	- Located in an area close to services.				3 of 3 pts	
4.	Housing Needs Consideration (14 pts)					14
	- Meets area housing needs and priorities and addresses area market concerns.				4 of 4 pts	
	Appropriate size of development.				6 of 6 pts	
	- Appropriate for area housing market (rehab vs new const.)				4 of 4 pts	
5.	Project Characteristics (16 pts)					16
	- Preservation or increase of existing federally assisted housing stock.				2 of 2 pts	
	- Includes higher efficiency, quality, and amenities				4 of 4 pts	
	- Energy and green building material				10 of 10 pts	
6.	Development Team Characteristics (6 pts)					6
	- Participation of entity with demonstrated track record.				6 of 6 pts	
7.	Demonstration of Montana Presence (4 pts)					4
					4 of 4 pts	
8.	Participation of Local Entity (5 pts)					5
	- Significant participation				5 of 5 pts	
9.	Tenant Populations with Special Housing Needs (10 pts)					8
	(1 point for each 10% of units targeting the following)				8 of 10 pts	
	- Family units (2 bedrooms)					
	- Large family units (3 and 4 bedrooms)					
	- Handicapped units exceeding minimum ADA requirements					
	- Units targeted for elderly, mentally or developmentally disabled					
10.	Preservation of Affordable Housing Projects (3 pts)					2
	- Acquisition and/or rehab of existing affordable housing stock				2 of 2 pts	
	- Community revitalization plan				0 of 1 pts	
11.	Market Need					5
	- Project specific				5 of 5 pts	
12.	Intermediary Costs (10 pts)					10
	- Contractor Overhead	1.81%	Maximum	2%	10 of 10 pts	
	- General Requirements	5.09%	Maximum	6%		
	- Contractor Profit	5.44%	Maximum	6%		
	- Developer Fees (new and rehab)	14.70%	Maximum	15%		
	- Developer Fees (acquisition)	8.00%	Maximum	8%		
	- Soft Costs to Hard Costs	27.85%	Maximum	30%		
13.	Developer Prior Performance and Response (-20 pts)					
	- Management past performance record				0 of -10 pts	0
	- Late response to MBOH inquiries				0 of -10 pts	0
TOTAL POINTS						105

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Hillview
 1280 10th St W
 Havre MT 59501

Credits Requested: \$563,715
Total Tax Credits Eligible For: \$564,759.27

Project Information: Acquisition Rehab
 1,2,3,4-bdrm and Family
 46 year guaranteed low income use restriction

Acres
 5.01

Developer / Sponsor: GMD Development
 Greg Dunfield
 1100 Dexter Ave N Ste 100
 Seattle WA 98109

206-745-3699
greg@gmddev.net

For - Profit / Non - Profit: For-Profit

Site Status: Purchase Contract
 Existing Project/Zoning in Place

Amenities: washer/dryers in unit, dishwashers, community room, childrens play area, laundry room, photovoltaic solar system

Unit Mix:	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>4-BDRM</u>	<u>Totals</u>
40% AMI Maximum	\$418.00	\$448.00	\$538.00	\$621.00	\$621.00	
50% AMI Maximum	\$522.00	\$560.00	\$672.00	\$776.00	\$776.00	
60% AMI Maximum	\$627.00	\$672.00	\$807.00	\$931.00	\$931.00	
Voucher Payment Standard	\$497.00	\$620.00	\$894.00	\$941.00	\$941.00	

40% AMI

Units -	1	1	3	1	6
Rent -	\$476	\$552	\$679	\$776	

50% AMI

Units -	5	4	16	7	32
Rents -	\$476	\$552	\$679	\$776	

60% AMI

Units -	2	2	5	4	13
Rent -	\$476	\$552	\$679	\$776	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit	0	1	0	0	1
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Unit Totals	8	8	24	12	52
sq ft / unit -	556	682	835	1,170	44,064

Tenant Paid Utilities:	Electric Cooking Other Electric	Owner Paid Utilities:	Water, Sewer, Trash Gas Hot Water Gas Heat
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Proposed Start Date: Aug-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	5%
Capture Rate	28%
Absorption Rate	2 months
Units needed	184

	<u>Market Rents</u>
0-bdrms	
1-bdrms	\$510
2-bdrms	\$600
3-bdrms	\$730
4-bdrms	\$830

Comments:

- In area that has a relative stable population and employment growth
- Market is approx 5,000 households
- Proposed rents are considerably less than market rents in the area
- Project should do well at rent levels proposed
- has PBS8 subsidy

Total Project Costs: \$6,590,131.00

Proposed Sources of Financing:

PNC Real Estate	\$1,500,842.00
Replacement Reserve-seller	\$29,000.00
Solar Credit Exchange	\$69,000.00
0	
0	
Deferred Developer Fee	\$87,459.00
Tax Credits	\$4,903,830.00
TOTAL	<u><u>\$6,590,131.00</u></u>

Cost per unit breakdown:

Land Acq and Site	\$13,933
Construction (Rehab)	\$82,514
Soft Costs	\$26,857
Reserves	\$3,430
	<u><u>\$126,734</u></u>

Total Units	52
Total Costs	\$6,590,131
Total Sq Feet	44,064
Cost Per Unit	\$126,733
Cost Per Square Foot	\$149.56
Credits Per Unit	\$10,841
Credits Per Sq Ft	\$12.79
Annual Credits	\$563,715

Staff Recommendation:**Conditions:**

- 6 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 32 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 14 of the units will be income targeted to 60% of Area Median Income Tenants
- 0 of the units will be market rate units

- 6 of the units will have rents based on 40% of Area Median Income
- 32 of the units will have rents based on 50% of Area Median Income
- 14 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Courtyard Apartments
Kalispell, Flathead**

Income

	<u>Targeting</u>
1-bdrm	50%
1-bdrm	60%
2-bdrm	50%
2-bdrm	60%
3-bdrm	60%
Total Units	

<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
5	\$395	\$1,975
16	\$459	\$7,344
2	\$528	\$1,056
7	\$579	\$4,053
2	\$687	\$1,374
32		\$15,802
vacancy factor	7.00%	(\$1,106)
	Adjusted Rent	\$14,696
	other income	\$42
	total rent	\$14,738
	x 12 months	12
	Total Annual Income	\$176,854

Expenses

Administration
Management
Maintenance
Operating
Taxes
Replacement Reserve
Total Expenses
Net Income Before Debt Service

	\$10,500
	\$12,438
	\$61,620
	\$43,800
	\$0
	\$9,600
	<u>\$137,958</u>
	\$38,896

Sources and Uses

Glacier Bank loan	\$350,000
Seller Note soft loan	\$84,436
Bonneville Power Admin	\$75,000
Deferred Developer Fee	\$106,597
Tax Credits	\$4,610,245
0	\$0
Total Sources:	<u>\$5,226,278</u>
Total Uses:	<u>\$5,226,278</u>
Difference:	\$0

% paid by Tax Credits:	88.2%
Assumes tax credits of:	\$539,264
being sold for:	\$0.85

Debt Coverage Ratio (DCR)

Net Income Before Debt Service
Total Debt Service
Debt Coverage Ratio

	\$38,896
	\$27,104
	143.51%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Courtyard Apartments
 Reviewed by: Mary Bair

<u>Selection Criteria</u>						Points Awarded
1.	Extended Low Income Use (0-10 pts)					<u>10</u>
	-	46 year commitment		10 of	10 pts	
2.	Serves lowest income tenants (0-22 pts)					<u>12</u>
	-	at 40% of median		12 of	22 pts	
	-	22% at 50% of median	8			
	-	78% at 60% of median	4			
3.	Project Location (3 pts)					<u>3</u>
	-	Located in an area close to services.		3 of	3 pts	
4.	Housing Needs Consideration (14 pts)					<u>14</u>
	-	Meets area housing needs and priorities and addresses area market concerns.		4 of	4 pts	
	-	Appropriate size of development.		6 of	6 pts	
	-	Appropriate for area housing market (rehab vs new const.)		4 of	4 pts	
5.	Project Characteristics (16 pts)					<u>16</u>
	-	Preservation or increase of existing federally assisted housing stock.		2 of	2 pts	
	-	Includes higher efficiency, quality, and amenities		4 of	4 pts	
	-	Energy and green building material		10 of	10 pts	
6.	Development Team Characteristics (6 pts)					<u>3</u>
	-	Participation of entity with demonstrated track record.		3 of	6 pts	
7.	Demonstration of Montana Presence (4 pts)					<u>4</u>
				4 of	4 pts	
8.	Participation of Local Entity (5 pts)					<u>5</u>
	-	Significant participation		5 of	5 pts	
9.	Tenant Populations with Special Housing Needs (10 pts)					<u>10</u>
		(1 point for each 10% of units targeting the following)		10 of	10 pts	
	-	Family units (2 bedrooms)				
	-	Large family units (3 and 4 bedrooms)				
	-	Handicapped units exceeding minimum ADA requirements				
	-	Units targeted for elderly, mentally or developmentally disabled				
10.	Preservation of Affordable Housing Projects (3 pts)					<u>3</u>
	-	Acquisition and/or rehab of existing affordable housing stock		2 of	2 pts	
	-	Community revitalization plan		1 of	1 pts	
11.	Community Support (5 pts)					<u>5</u>
	-	Project specific		5 of	5 pts	
12.	Intermediary Costs (10 pts)					<u>8</u>
	-	Contractor Overhead	1.71% Maximum 2%	8 of	10 pts	
	-	General Requirements	4.94% Maximum 6%			
	-	Contractor Profit	4.71% Maximum 6%			
	-	Developer Fees (new and rehab)	14.51% Maximum 15%			
	-	Developer Fees (acquisition)	7.99% Maximum 8%			
	-	Soft Costs to Hard Costs	36.53% Maximum 30%			
13.	Developer Prior Performance and Response (-20 pts)					
	-	Management past performance record		0 of	-10 pts	0
	-	Late response to MBOH inquiries		0 of	-10 pts	0
TOTAL POINTS						<u><u>93</u></u>

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Courtyard Apartments **Credits Requested:** \$539,264
 1842 Airport Rd **Total Tax Credits Eligible For:** \$541,671.62
 Kalispell MT 59901

Project Information: Acquisition Rehab **Acres**
 1, 2, 3-bdrm and Family 2.24
 46 year guaranteed low income use restriction

Developer / Sponsor: Community Action Prtns of NW MT
 Mamey McCleary 406-758-5411
 Po Box 8300 mmccleary@kalhrdc.mt.gov
 Kalispell MT 59904

For - Profit / Non - Profit: For-Profit/Non-Profit Joint Venture

Site Status: Purchase Contract
 Existing Project/Zoning in Place

Amenities: Laundry area, playground, basketball areas, picnic areas w/grills, community room, durable vinyl flooring

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum	\$434.00	\$434.00	\$521.00	\$521.00	
50% AMI Maximum	\$542.00	\$542.00	\$651.00	\$651.00	
60% AMI Maximum	\$651.00	\$651.00	\$781.00	\$781.00	
Voucher Payment Standard	\$554.00	\$554.00	\$696.00	\$696.00	

40% AMI

Units -	0	0	0	0	0
Rent -					

50% AMI

Units -	0	5	2	0	7
Rents -		\$395	\$528	\$0	

60% AMI

Units -	0	16	7	2	25
Rent -		\$459	\$579	\$678	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit

Units -	0	0	0	0	0
Rent -					

Unit Totals	0	21	9	2	32
sq ft / unit -	0	624	754	884	22,822

Tenant Paid Utilities: Gas Heat **Owner Paid Utilities:** Water, Sewer, Trash
 Electric Cooking
 Other Electric
 Gas Hot Water

Proposed Start Date: Sep-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	6%
Capture Rate	2%
Absorption Rate	3 months
Units needed	1,337

Market Rents

1-bdrms	\$530
2-bdrms	\$600
3-bdrms	\$775

Comments:

- Market Analyst rates overall economy as growing
- Market if approximately 8638 (Kalispell) 26,767 (Flathead County) households
- Developer hopes to change electric heating system to geothermal
- Proposed rents are considerably less than market rents

Total Project Costs: \$5,226,278.00

Proposed Sources of Financing:

Glacier Bank loan \$350,000.00
Seller Note soft loan \$84,436.00

Bonneville Power Admin \$75,000.00
Deferred Developer Fee \$106,597.00
Tax Credits \$4,610,245.00
TOTAL \$5,226,278.00

Cost per unit breakdown:

Land Acq and Site \$21,094
Construction (Rehab) \$95,503
Soft Costs \$42,592
Reserves \$4,132
\$163,321

Total Units 32
Total Costs \$5,226,278
Total Sq Feet 22,822
Cost Per Unit \$163,321
Cost Per Square Foot \$229.00
Credits Per Unit \$16,852
Credits Per Sq Ft \$23.63
Annual Credits \$539,264

Staff Recommendation:**Conditions:**

- 0 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 7 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 25 of the units will be income targeted to 60% of Area Median Income Tenants
- 0 of the units will be market rate units

- 0 of the units will have rents based on 40% of Area Median Income
- 7 of the units will have rents based on 50% of Area Median Income
- 25 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Depot Place
Kalispell/Flathead**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
1-bdrm	40%	2	\$430	\$860
1-bdrm	50%	17	\$540	\$9,180
1-bdrm	60%	9	\$570	\$5,130
2-bdrm	40%	2	\$520	\$1,040
2-bdrm	50%	8	\$640	\$5,120
2-bdrm	60%	2	\$640	\$1,280
Total Units		40		\$22,610
		vacancy factor	7.00%	(\$1,583)
		Adjusted Rent		\$21,027
		other income		\$400
		total rent		\$21,427
		x 12 months		12
		Total Annual Income		\$257,128

Expenses

Administration	\$16,450	
Management	\$15,428	
Maintenance	\$85,160	
Operating	\$29,750	
Taxes	\$5,000	
Replacement Reserve	\$10,000	
Total Expenses		<u>\$161,788</u>
Net Income Before Debt Service		\$95,340

Sources and Uses

Boston Perm Loan	\$950,000
Deferred Developer Fee	\$162,344
Tax Credits	\$5,106,179
0	\$0
Total Sources:	<u>\$6,218,523</u>
Total Uses:	<u>\$6,218,523</u>
Difference:	\$0

% paid by Tax Credits: 82.1%
Assumes tax credits of: \$608,000
being sold for: \$0.84

Debt Coverage Ratio (DCR)

Net Income Before Debt Service

\$95,340

Total Debt Service

\$79,710

Debt Coverage Ratio

119.61%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Depot Place
Reviewed by: Mary Blair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 46 year commitment	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 10% at 40% of median - 63% at 50% of median - 27% at 60% of median	22 of 22 pts	<u>22</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. - Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	3 of 4 pts 6 of 6 pts 4 of 4 pts	<u>14</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	0 of 2 pts 4 of 4 pts 10 of 10 pts	<u>16</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	6 of 6 pts	<u>6</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 0 of 1 pts	<u>0</u>
11.	Community Support (5 pts) - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.35% Maximum 2% - General Requirements 5.22% Maximum 6% - Contractor Profit 4.96% Maximum 6% - Developer Fees (new and rehab) 14.69% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 27.18% Maximum 30%	10 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>

TOTAL POINTS

105

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Depot Place
 219 Center Street
 Kalispell MT. 59901

Credits Requested: \$608,000
Total Tax Credits Eligible For: \$608,182.98

Project Information: New Construction
 1,2-bdrm and Senior
 46 year guaranteed low income use restriction

Acres
 1.065

Developer / Sponsor: Sparrow Development
 Alex Burkhalter
 619 SW Higgins Ave Ste E
 Missoula MT. 59803

406-251-5076
alex@sparrowgroupinc.com

For - Profit / Non - Profit: For-Profit

Site Status: Purchase Contract
 Zoning in Place

Amenities: Laundry room each floor, community room, a/c, ceiling fans, dishwasher, disposal, microwave

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum		\$434.00	\$434.00		
50% AMI Maximum		\$542.00	\$542.00		
60% AMI Maximum		\$651.00	\$651.00		
Voucher Payment Standard		\$554.00	\$554.00		

40% AMI

Units -	0	2	2	0	4
Rent -		\$430	\$520		

50% AMI

Units -	0	17	8	0	25
Rents -		\$540	\$640		

60% AMI

Units -	0	8	2	0	10
Rent -		\$570	\$640		

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit

	0	1	0	0	1
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Unit Totals	0	28	12	0	40
sq ft / unit -	0	600	720	0	36,072

Tenant Paid Utilities:

Owner Paid Utilities:

Water, Sewer, Trash
 Gas Heat
 Air Conditioning
 Electric Cooking
 Other Electric
 Gas Hot Water

Proposed Start Date: Jul-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	2%
Capture Rate	50%
Absorption Rate	3 months
Units needed	80

	<u>Market Rents</u>
1-bdrms	\$634
2-bdrms	\$723

Comments:

- Market Analyst rated overall economy as fair but the City of Kalispell has seen good growth
- Will fill a strong need in the community
- Market is approx 10,787 households; 4,471 are senior
- Proposed rents are considerably less than market rents in the area
- Project should do well at rent levels proposed
- Current wait for a senior unit is approx one year

Total Project Costs:	\$6,218,523.00	Cost per unit breakdown:	
		Land Acq and Site	\$27,750
		Construction (Rehab)	\$89,865
		Soft Costs	\$31,967
Proposed Sources of Financing:		Reserves	\$5,881
Boston Perm Loan	\$950,000.00		<u>\$155,463</u>
		Total Units	40
Deferred Developer Fee	\$162,344.00	Total Costs	\$6,218,523
Tax Credits	\$5,106,179.00	Total Sq Feet	36,072
TOTAL	<u>\$6,218,523.00</u>	Cost Per Unit	\$155,463
		Cost Per Square Foot	\$172.39
		Credits Per Unit	\$15,200
		Credits Per Sq Ft	\$16.86
		Annual Credits	\$608,000

Staff Recommendation:**Conditions:**

- 4 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 25 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 11 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 0 of the units will be market rate units

- 4 of the units will have rents based on 40% of Area Median Income
- 25 of the units will have rents based on 50% of Area Median Income
- 11 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

- 46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Aspen Place
Missoula/Missoula**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
1-bdrm	40%	2	\$450	\$900
1-bdrm	50%	16	\$560	\$8,960
1-bdrm	60%	6	\$640	\$3,840
2-bdrm	40%	2	\$540	\$1,080
2-bdrm	50%	7	\$675	\$4,725
2-bdrm	60%	3	\$720	\$2,160
Total Units		36		\$21,665
		vacancy factor	7.00%	(\$1,517)
		Adjusted Rent		\$20,148
		other income		\$300
		total rent		\$20,448
		x 12 months		12
		Total Annual Income		\$245,381

Expenses

Administration	\$15,770	
Management	\$17,177	
Maintenance	\$78,221	
Operating	\$26,103	
Taxes	\$1,200	
Replacement Reserve	\$9,000	
Total Expenses		\$147,471
Net Income Before Debt Service		\$97,910

Sources and Uses

Boston Perm Loan	\$970,000		
Deferred Developer Fee	\$201,533		
Tax Credits	\$4,619,076		
	\$0		
Total Sources:	\$5,790,609		
Total Uses:	\$5,790,609		
Difference:	\$0		
		% paid by Tax Credits:	79.8%
		Assumes tax credits of:	\$550,000
		being sold for:	\$0.84

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$97,910
Total Debt Service	\$81,389
Debt Coverage Ratio	120.30%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Aspen Place
Reviewed by: Mary Bair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 46 year commitment	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 11% at 40% of median - 66% at 50% of median - 23% at 60% of median	22 of 22 pts	<u>22</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. - Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	3 of 4 pts 6 of 6 pts 4 of 4 pts	<u>14</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	0 of 2 pts 4 of 4 pts 10 of 10 pts	<u>14</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	6 of 6 pts	<u>6</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 0 of 1 pts	<u>0</u>
11.	Market Needs (5 pts) - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.35% Maximum 2% - General Requirements 5.21% Maximum 6% - Contractor Profit 4.95% Maximum 6% - Developer Fees (new and rehab) 14.53% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 26.91% Maximum 30%	10 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>

TOTAL POINTS

103

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Aspen Place
 TDB Great Norther Ave
 Missoula MT 59808

Credits Requested: \$550,000
Total Tax Credits Eligible For: \$567,153.29

Project Information: New Construction
 1,2,3-bdrm and Eldery
 46 year guaranteed low income use restriction

Acres
 0.89

Developer / Sponsor: HRC XI Missoula
 Jim Morton
 1801 S Higgins Ave
 Missoula MT 59801

406-728-3710
jpm@hrcxi.org

For - Profit / Non - Profit: Non-Profit

Site Status: Purchase Contract
 Zoning in Place

Amenities: Laundry area on each floor, large community room & garden, patio, a/c, ceiling fans, dishwasher, disposal, micro

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum	\$450.00	\$450.00	\$450.00		
50% AMI Maximum	\$562.00	\$562.00	\$562.00		
60% AMI Maximum	\$675.00	\$675.00	\$675.00		
Voucher Payment Standard	\$643.00	\$643.00	\$643.00		

40% AMI

Units -	0	2	2	0		4
Rent -		\$450	\$540			

50% AMI

Units -	0	16	7	0		23
Rents -		\$560	\$675			

60% AMI

Units -	0	5	3	0		8
Rent -		\$640	\$720			

Market Rate

Units -	0	0	0	0		0
Rent -						

Manager Unit

	0	1	0	0		1
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Unit Totals	0	24	12	0		36
sq ft / unit -	0	600	750	0		32,952

Tenant Paid Utilities:

Owner Paid Utilities:

Water, Sewer, Trash
 Gas Heat
 Air Conditioning
 Electric Cooking
 Other Electric
 Gas Hot Water

Proposed Start Date: Jul-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	2%
Capture Rate	38%
Absorption Rate	3 months
Units needed	94

	<u>Market Rents</u>
0-bdrms	\$630
1-bdrms	\$677
2-bdrms	\$777
3-bdrms	

Comments:

- Market Analyst rated overall economy fair
- 236 new senior households added annually in Missoula
- Market is approx 755 households
- Proposed rents are considerably less than market rents in the area
- Project should do well at rent levels proposed
- There is a need for additional senior housing in Missoula as currently at 0% vacancy market & TC properties

Total Project Costs:	\$5,790,609.00	Cost per unit breakdown:	
		Land Acq and Site	\$29,722
		Construction (Rehab)	\$91,230
		Soft Costs	\$32,554
Proposed Sources of Financing:		Reserves	\$7,344
Boston Perm Loan	\$970,000.00		<u>\$160,850</u>
		Total Units	36
		Total Costs	\$5,790,609
Deferred Developer Fee	\$201,533.00	Total Sq Feet	32,952
Tax Credits	<u>\$4,619,076.00</u>	Cost Per Unit	\$160,850
TOTAL	<u>\$5,790,609.00</u>	Cost Per Square Foot	\$175.73
		Credits Per Unit	\$15,278
		Credits Per Sq Ft	\$16.69
		Annual Credits	\$550,000

Staff Recommendation:**Conditions:**

- 4 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 23 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 9 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 0 of the units will be market rate units

- 4 of the units will have rents based on 40% of Area Median Income
- 23 of the units will have rents based on 50% of Area Median Income
- 9 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**The Haven Homes
Missoula/Missoula**

As of February 13-2012

Income

	Targeting
3-bdrm	50%
3-bdrm	60%
Total Units	

Number of Units	Net Rent	Total Rent
1	\$819	\$819
3	\$759	\$2,277
4		\$2,896
vacancy factor	7.00%	(\$203)
	Adjusted Rent	\$2,693
	other income	\$0
	total rent	\$2,693
	x 12 months	12
	Total Annual Income	\$32,319

Expenses

Administration
Management
Maintenance
Operating
Taxes
Replacement Reserve
Total Expenses
Net Income Before Debt Service

	\$1,150
	\$2,280
	\$6,080
	\$3,000
	\$4,500
	\$1,200
	\$18,210
	\$14,109

Sources and Uses

First Security Bank loan	\$164,500
Deferred Developer Fee	\$55,810
Tax Credits	\$1,062,288
0	\$0
Total Sources:	\$1,282,598
Total Uses:	\$1,282,598
Difference:	\$0

% paid by Tax Credits:	82.8%
Assumes tax credits of:	\$125,000
being sold for:	\$0.85

Debt Coverage Ratio (DCR)

Net Income Before Debt Service

Total Debt Service

Debt Coverage Ratio

	\$14,109
	\$11,835
	119.22%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: The Haven Homes
 Reviewed by: Mary Blair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 15 year commitment HO	0 of 10 pts	<u>0</u>
2.	Serves lowest income tenants (0-22 pts) - 0% at 40% of median - 25% at 50% of median - 75% at 60% of median	12 of 22 pts	<u>12</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	3 of 4 pts 6 of 6 pts 4 of 4 pts	<u>13</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	0 of 2 pts 3 of 4 pts 10 of 10 pts	<u>13</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	3 of 6 pts	<u>3</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	0 of 5 pts	<u>0</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 0 of 1 pts	<u>0</u>
11.	Market Need (5 pts) - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.35% Maximum 2% - General Requirements 5.21% Maximum 8% - Contractor Profit 4.95% Maximum 8% - Developer Fees (new and rehab) 14.39% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 18.45% Maximum 30%	10 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>

TOTAL POINTS

73

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: The Haven Homes
 4050, 4055, 4065, 4085 Lona Court
 Missoula MT 59803

Credits Requested: \$125,000
Total Tax Credits Eligible For: \$125,306.29

Project Information: New Construction
 4 3-bdrm Single Family Homes
 15 year restricted use with eventual homeownership

Acres
 0.62

Developer / Sponsor: Grover Development Group
 Steve Grover
 3395 Cathy Court
 Missoula MT 59803

406-531-7331
steve.grover66@gmail.com

For - Profit / Non - Profit: For-Profit

Site Status: Purchase Contract
 Zoning in Place

Amenities: washer/dryer, ceiling fans, 2 car attached garage,

Unit Mix:

	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum				\$623.00	
50% AMI Maximum				\$778.00	
60% AMI Maximum				\$934.00	
Voucher Payment Standard				\$1,051.00	

40% AMI

Units -	0	0	0	0	0
Rent -					

50% AMI

Units -	0	0	0	1	1
Rents -				\$619	

60% AMI

Units -	0	0	0	3	3
Rent -				\$759	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit

Units -	0	0	0	0	0
Rent -					

Unit Totals	0	0	0	4	4
sq ft / unit -	0	0	0	1,320	5,280

Tenant Paid Utilities: Gas Heat Air Conditioning Electric Cooking Other Electric Gas Hot Water	Owner Paid Utilities: Water, Sewer, Trash
---	--

Proposed Start Date: Jun-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	2%
Capture Rate	2%
Absorption Rate	1 month
Units needed	225

Market Rents

0-bdrms	
1-bdrms	
2-bdrms	
3-bdrms	\$1,336

Comments:

- Market Analyst rated overall economy as fair
- Missoula is one of the fastest growing cities in MT
- Market is approx 32,859 households
- Proposed rents are considerably less than market rents in the area
- Project should have little or no effect on existing TC properties as it is only 4 units

Total Project Costs: \$1,282,598.00

Proposed Sources of Financing:

First Security Bank loan \$164,500.00

Cost per unit breakdown:

Land Acq and Site	\$91,125
Construction (Rehab)	\$179,056
Soft Costs	\$49,844
Reserves	\$625
	<u>\$320,650</u>

Deferred Developer Fee	\$55,810.00
Tax Credits	<u>\$1,062,288.00</u>
TOTAL	<u>\$1,282,598.00</u>

Total Units	4
Total Costs	\$1,282,598
Total Sq Feet	5,280
Cost Per Unit	\$320,650
Cost Per Square Foot	\$242.92
Credits Per Unit	\$31,250
Credits Per Sq Ft	\$23.67
Annual Credits	\$125,000

Staff Recommendation:**Conditions:**

- 0 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 1 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 3 of the units will be income targeted to 60% of Area Median Income Tenants
- 0 of the units will be market rate units

- 0 of the units will have rents based on 40% of Area Median Income
- 1 of the units will have rents based on 50% of Area Median Income
- 3 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

15 years extended use requirement**Eventual Homeownership**

Any major changes to the original application must be approved by the Board

Mary S. Blair
by

April 9, 2012
Date

**Sweet Grass Apartments
Shelby/Toole**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
1-bdrm	40%	1	\$336	\$336
1-bdrm	50%	2	\$442	\$884
1-bdrm	60%	1	\$533	\$533
2-bdrm	40%	1	\$403	\$403
2-bdrm	50%	2	\$530	\$1,060
2-bdrm	60%	1	\$643	\$643
3-bdrm	40%	1	\$448	\$448
3-bdrm	50%	2	\$595	\$1,190
3-bdrm	60%	1	\$727	\$727
Total Units		12		\$6,224
		vacancy factor	10.00%	(\$622)
		Adjusted Rent		\$5,602
		other income		\$75
		total rent		\$5,677
		x 12 months		12
		Total Annual Income		\$68,119

Expenses

Administration	\$7,000	
Management	\$6,812	
Maintenance	\$11,920	
Operating	\$11,500	
Taxes	\$0	
Replacement Reserve	\$3,600	
Total Expenses		\$40,832
Net Income Before Debt Service		\$27,287

Sources and Uses

US Bank loan	\$296,125		
Deferred Developer Fee			
Tax Credits	\$1,599,840	% paid by Tax Credits:	84.4%
0	\$0	Assumes tax credits of:	\$200,000
Total Sources:	\$1,895,965	being sold for:	\$0.80
Total Uses:	\$1,895,965		
Difference:	\$0		

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$27,287
Total Debt Service	\$22,461
Debt Coverage Ratio	121.49%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Sweet Grass Apartments
Reviewed by: Mary Bair

Selection Criteria						Points Awarded	
1.	Extended Low Income Use (0-10 pts)					10	
	- 46 year commitment				10 of 10 pts		
2.	Serves lowest income tenants (0-22 pts)					17	
	- 25% at 40% of median				17 of 22 pts		
	- 50% at 50% of median						
	- 25% at 60% of median						
3.	Project Location (3 pts)					3	
	- Located in an area close to services.				3 of 3 pts		
4.	Housing Needs Consideration (14 pts)					14	
	- Meets area housing needs and priorities and addresses area market concerns.				4 of 4 pts		
	Appropriate size of development.				6 of 6 pts		
	- Appropriate for area housing market (rehab vs new const.)				4 of 4 pts		
5.	Project Characteristics (16 pts)					16	
	- Preservation or increase of existing federally assisted housing stock.				2 of 2 pts		
	- Includes higher efficiency, quality, and amenities				4 of 4 pts		
	- Energy and green building material				10 of 10 pts		
6.	Development Team Characteristics (6 pts)					6	
	- Participation of entity with demonstrated track record.				6 of 6 pts		
7.	Demonstration of Montana Presence (4 pts)					4	
					4 of 4 pts		
8.	Participation of Local Entity (5 pts)					5	
	- Significant participation				5 of 5 pts		
9.	Tenant Populations with Special Housing Needs (10 pts)					6	
	(1 point for each 10% of units targeting the following)				6 of 10 pts		
	- Family units (2 bedrooms)						
	- Large family units (3 and 4 bedrooms)						
	- Handicapped units exceeding minimum ADA requirements						
	- Units targeted for elderly, mentally or developmentally disabled						
10.	Preservation of Affordable Housing Projects (3 pts)					0	
	- Acquisition and/or rehab of existing affordable housing stock				0 of 2 pts		
	- Community revitalization plan				0 of 1 pts		
11.	Market Need (5 pts)					5	
	- Project specific				5 of 5 pts		
12.	Intermediary Costs (10 pts)					9	
	- Contractor Overhead	1.78%	Maximum	2%	9 of 10 pts		
	- General Requirements	5.64%	Maximum	6%			
	- Contractor Profit	5.34%	Maximum	6%			
	- Developer Fees (new and rehab)	14.28%	Maximum	15%			
	- Developer Fees (acquisition)	NA	Maximum	8%			
	- Soft Costs to Hard Costs	35.43%	Maximum	30%			
13.	Developer Prior Performance and Response (-20 pts)						
	- Management past performance record				0 of -10 pts	0	
	- Late response to MBOH inquiries				0 of -10 pts	0	
TOTAL POINTS						95	

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Sweet Grass Apartments **Credits Requested:** \$200,000
 TDB St Mary Ave **Total Tax Credits Eligible For:** \$201,014.27
 Shelby MT 59474

Project Information: New Construction **Acres**
 1,2,3-bdrm and Family 0.8
 46 year guaranteed low income use restriction

Developer / Sponsor: BlueLine Development, Inc
 Nate Richmond 406-214-8145
 805 Evans Ave nate@bluelinedevelopment.net
 Missoula MT 59801

For - Profit / Non - Profit: For-Profit/Non-Profit Joint Venture

Site Status: buy-sell agreement
 new construction/Zoning in Place

Amenities: A/C, dishwasher, microwave, disposal, washer/dryers, quality floor coverings & finishes

Unit Mix:	<u>0-BDRM</u>	<u>1-BDRM</u>	<u>2-BDRM</u>	<u>3-BDRM</u>	<u>Totals</u>
40% AMI Maximum		\$425.00	\$425.00	\$425.00	
50% AMI Maximum		\$531.00	\$531.00	\$531.00	
60% AMI Maximum		\$637.00	\$637.00	\$637.00	
Voucher Payment Standard		\$489.00	\$489.00	\$489.00	

40% AMI

Units -	0	1	1	1	3
Rent -		\$336	\$403	\$448	

50% AMI

Units -	0	2	2	2	6
Rents -		\$442	\$530	\$595	

60% AMI

Units -	0	1	1	1	3
Rent -		\$533	\$643	\$727	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit	0	0	0	0	0
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Unit Totals	0	4	4	4	12
sq ft / unit -	0	744	884	1,198	11,304

Tenant Paid Utilities:	Gas Heat	Owner Paid Utilities:	Water, Sewer, Trash
	Air Conditioning		
	Electric Cooking		
	Other Electric		
	Gas Hot Water		

Proposed Start Date: Aug-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	1%
Capture Rate	29%
Absorption Rate	1-2 months
Units needed	41

Market Rents

1-bdrms	\$600
2-bdrms	\$704
3-bdrms	\$808

Comments:

- Market Analyst rated overall economy is good
- Ast tax credit property in Shelby was placed in service in 1995
- Market is approx 1,436 households
- Proposed rents are considerably less than market rents in the area
- Project has very strong community government support
- Northern Express Transportation Authority received \$10,000,000 grant from US DOT to create hub that will create 320 jobs when fully operational.

Total Project Costs:	\$1,895,965.00	Cost per unit breakdown:	
		Land Acq and Site	\$8,068
		Construction (Rehab)	\$107,061
		Soft Costs	\$40,785
Proposed Sources of Financing:		Reserves	\$2,083
US Bank loan	\$296,125.00		<u>\$157,997</u>
Deferred Developer Fee		Total Units	12
Tax Credits	\$1,599,840.00	Total Costs	\$1,895,965
TOTAL	<u>\$1,895,965.00</u>	Total Sq Feet	11,304
		Cost Per Unit	\$157,997
		Cost Per Square Foot	\$167.73
		Credits Per Unit	\$16,667
		Credits Per Sq Ft	\$17.69
		Annual Credits	\$200,000

Staff Recommendation:**Conditions:**

- 3 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 6 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 3 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 0 of the units will be market rate units

- 3 of the units will have rents based on 40% of Area Median Income
- 6 of the units will have rents based on 50% of Area Median Income
- 3 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

**Parkview Village
Sidney/Richland**

Income

	<u>Targeting</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Total Rent</u>
1-bdrm	40%	2	\$330	\$660
1-bdrm	50%	2	\$430	\$860
1-bdrm	60%	2	\$530	\$1,060
2-bdrm	40%	1	\$395	\$395
2-bdrm	50%	10	\$520	\$5,200
2-bdrm	60%	1	\$640	\$640
3-bdrm	50%	1	\$580	\$580
3-bdrm	60%	1	\$720	\$720
Total Units		20		\$10,115
		vacancy factor	7.00%	(\$708)
		Adjusted Rent		\$9,407
		other income		\$0
		total rent		\$9,407
		x 12 months		12
		Total Annual Income		\$112,883

Expenses

Administration	\$18,850	
Management	\$10,317	
Maintenance	\$35,976	
Operating	\$19,500	
Taxes	\$1,600	
Replacement Reserve	\$6,000	
Total Expenses		<u>\$92,243</u>
Net Income Before Debt Service		\$20,640

Sources and Uses

Stockman Bank loan	\$200,000		
Richland Afford Hsing soft loan	\$300,000		
Deferred Developer Fee			
Tax Credits	\$3,223,778		% paid by Tax Credits: 86.6%
0	\$0		Assumes tax credits of: \$403,013
Total Sources:	<u>\$3,723,778</u>		being sold for: \$0.80
Total Uses:	<u>\$3,723,778</u>		
Difference:	\$0		

Debt Coverage Ratio (DCR)

Net Income Before Debt Service	\$20,640
Total Debt Service	\$16,372
Debt Coverage Ratio	126.07%

LIHTC - DEVELOPMENT RANKING MATRIX
April 9, 2012

Development: Parkview Village
Reviewed by: Mary Blair

Selection Criteria

Points Awarded

1.	Extended Low Income Use (0-10 pts) - 46 year commitment	10 of 10 pts	<u>10</u>
2.	Serves lowest income tenants (0-22 pts) - 15% at 40% of median - 65% at 50% of median - 20% at 60% of median	22 of 22 pts	<u>22</u>
3.	Project Location (3 pts) - Located in an area close to services.	3 of 3 pts	<u>3</u>
4.	Housing Needs Consideration (14 pts) - Meets area housing needs and priorities and addresses area market concerns. - Appropriate size of development. - Appropriate for area housing market (rehab vs new const.)	4 of 4 pts 6 of 6 pts 4 of 4 pts	<u>14</u>
5.	Project Characteristics (16 pts) - Preservation or increase of existing federally assisted housing stock. - Includes higher efficiency, quality, and amenities - Energy and green building material	2 of 2 pts 4 of 4 pts 10 of 10 pts	<u>16</u>
6.	Development Team Characteristics (6 pts) - Participation of entity with demonstrated track record.	6 of 6 pts	<u>6</u>
7.	Demonstration of Montana Presence (4 pts)	4 of 4 pts	<u>4</u>
8.	Participation of Local Entity (5 pts) - Significant participation	5 of 5 pts	<u>5</u>
9.	Tenant Populations with Special Housing Needs (10 pts) (1 point for each 10% of units targeting the following) - Family units (2 bedrooms) - Large family units (3 and 4 bedrooms) - Handicapped units exceeding minimum ADA requirements - Units targeted for elderly, mentally or developmentally disabled	10 of 10 pts	<u>10</u>
10.	Preservation of Affordable Housing Projects (3 pts) - Acquisition and/or rehab of existing affordable housing stock - Community revitalization plan	0 of 2 pts 0 of 1 pts	<u>0</u>
11.	Market Support (5 pts) - Project specific	5 of 5 pts	<u>5</u>
12.	Intermediary Costs (10 pts) - Contractor Overhead 1.66% Maximum 2% - General Requirements 4.92% Maximum 6% - Contractor Profit 4.69% Maximum 6% - Developer Fees (new and rehab) 13.91% Maximum 15% - Developer Fees (acquisition) NA Maximum 8% - Soft Costs to Hard Costs 32.22% Maximum 30%	10 of 10 pts	<u>10</u>
13.	Developer Prior Performance and Response (-20 pts) - Management past performance record - Late response to MBOH inquiries	0 of -10 pts 0 of -10 pts	<u>0</u> <u>0</u>
TOTAL POINTS			<u><u>105</u></u>

PROJECT MINIMUM THRESHOLD = 80

MAXIMUM THRESHOLD = 108

Summary of Project Application

Project Name: Parkview Village
 221 5th St SW
 Sidney MT 59270

Credits Requested: \$403,013
Total Tax Credits Eligible For: \$403,013.17

Project Information: New Construction
 1,2,3-bdrm and Family
 46 year guaranteed low income use restriction

Acres
 0.688

Developer / Sponsor: Richland Affordable Housing
 Paul Groshart
 1032 6th St SW
 Sidney MT 59270

406-433-1978
rcha@midrivers.com

For - Profit / Non - Profit: Non-Profit

Site Status: Purchase Contract
 Zoning in Place

Amenities: disposal, dishwasher, washer/dryer, ceiling fan, central air, patio/balcony, covered parking spots, plug-ins for cars

Unit Mix:	0-BDRM	1-BDRM	2-BDRM	3-BDRM	Totals
40% AMI Maximum		<u>\$426.00</u>	<u>\$426.00</u>	<u>\$426.00</u>	
50% AMI Maximum		<u>\$533.00</u>	<u>\$533.00</u>	<u>\$533.00</u>	
60% AMI Maximum		<u>\$639.00</u>	<u>\$639.00</u>	<u>\$639.00</u>	
Voucher Payment Standard		<u>\$522.00</u>	<u>\$522.00</u>	<u>\$522.00</u>	

40% AMI

Units -	0	2	1	0	3
Rent -		\$330	\$395		

50% AMI

Units -	0	2	10	1	13
Rents -		\$430	\$520	\$580	

60% AMI

Units -	0	2	1	1	4
Rent -		\$530	\$640	\$720	

Market Rate

Units -	0	0	0	0	0
Rent -					

Manager Unit

0	0	0	0	0
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Unit Totals	0	6	12	2	20
sq ft / unit -	0	809	1,076	1,174	23,139

Tenant Paid Utilities: Gas Heat
 Air Conditioning
 Electric Cooking
 Other Electric
 Gas Hot Water

Owner Paid Utilities: Water, Sewer, Trash

Proposed Start Date: Jul-12

Market Study Data:

	<u>Overall</u>
Vacancy Rates	0%
Capture Rate	28%
Absorption Rate	1 month
Units needed	72

Market Rents

1-bdrms	\$600
2-bdrms	\$715
3-bdrms	\$795

Comments:

- Market Analyst rated overall economy Very Good
- Housing Authority not able to use all vouchers due to insufficient affordable housing in Sidney
- Market is approx 2,949 households
- Proposed rents are considerably less than market rents in the area due to the oil workers
- Project should do well at rent levels proposed
- With the influx of people from the energy boom there is a desperate need for housing
- Richland Affordable Housing Corp is donating the land valued at \$160,000.00

Total Project Costs: \$3,723,778.00

Proposed Sources of Financing:

Stockman Bank loan	\$200,000.00
Richland Afford Hsing soft loan	\$300,000.00

Cost per unit breakdown:

Land Acq and Site	\$9,647
Construction (Rehab)	\$126,738
Soft Costs	\$43,938
Reserves	\$5,866
	<u>\$186,189</u>

Deferred Developer Fee	
Tax Credits	\$3,223,778.00
TOTAL	<u>\$3,723,778.00</u>

Total Units	20
Total Costs	\$3,723,778
Total Sq Feet	23,139
Cost Per Unit	\$186,189
Cost Per Square Foot	\$160.93
Credits Per Unit	\$20,151
Credits Per Sq Ft	\$17.42
Annual Credits	\$403,013

Staff Recommendation:**Conditions:**

- 3 of the units will be income targeted to 49% or less of Area Median Income Tenants
- 13 of the units will be income targeted to 55% or less of Area Median Income Tenants
- 4 of the units will be income targeted to 60% or less of Area Median Income Tenants
- 0 of the units will be market rate units

- 3 of the units will have rents based on 40% of Area Median Income
- 13 of the units will have rents based on 50% of Area Median Income
- 4 of the units will have rents based on 60% of Area Median Income
- 0 of the units will be market rate units

46 years extended use requirement

Any major changes to the original application must be approved by the Board

Mary S. Bair
by

April 9, 2012
Date

* Project information is on the second sheet of this excel workbook

2012 Applications and Allocations
Montana Board of Housing
Low Income Housing Tax Credit Program

Mary S. Bair
Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

406-841-2845
fax 406-841-2841

Available Credit Calculation:

Resident Population	1,000,000		
Factor	2.15		
Credit Ceiling Available	\$ 2,465,000	Set-a-sides:	
Small State Minimum Ceiling	\$ 2,525,000	Small Project	\$ 511,070
2011 Carryover Available	\$ 9,920	Non Profit	\$ 255,535
Returned Credits Lolo Vista Apartments	\$ 2,746	General	\$ 1,788,746
Returned Credits Superior Commons	\$ 17,685		<u>\$ 2,555,351</u>
Total Credits Available	<u>\$ 2,555,351</u>		
Maximum Credit per Developer (25% of ceiling)	\$ 631,250		

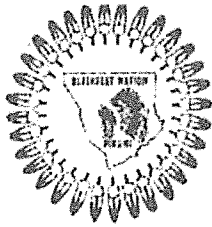
Allocations:

Project	City	Round	Set-a-side	Amount Requested	Proposed Award	Section Criteria Points
Haggerty Lane Apartments	Bozeman	1/20/2012		\$ 200,000	\$ 200,000	98
Sweet Grass Apartments	Shelby	1/20/2012	non profit	\$ 200,000	\$ 200,000	95
The Haven Homes	Missoula	1/20/2012		\$ 125,000	\$ -	73
Small Project - Total				\$ 525,000	\$ 400,000	
Soroptimist Village	Great Falls	1/20/2012	Non-Profit	\$ 480,000	\$ 480,000	106
Blackfeet	Browning	1/20/2012	General	\$ 631,225	\$ 631,225	105
Parkview Village	Sidney	1/20/2012	Non-Profit	\$ 403,013	\$ 403,013	105
Depot Place	Kalispell	1/20/2012	General	\$ 608,000	\$ -	105
Hillview Apartments	Havre	1/20/2012	General	\$ 563,715	\$ -	105
Stoneridge Apartments	Bozeman	1/20/2012	General	\$ 631,250	\$ -	103
Aspen Place	Missoula	1/20/2012	Non-Profit	\$ 550,000	\$ -	103
Deer Park Apartments	Dillon	1/20/2012	Non-Profit	\$ 457,683	\$ -	102
Freedoms Path	Fort Harrison	1/20/2012	General	\$ 629,352	\$ -	100
Red Fox Apartments	Billings	1/20/2012	General	\$ 559,678	\$ -	95
Courtyards Apartments	Kalispell	1/20/2012	Non-Profit	\$ 539,264	\$ -	93
Non-Profit / General - Total				\$ 6,053,180	\$ 1,514,238	<u>Remaining</u>
Grand - Total				\$ 6,578,180	\$ 1,914,238	\$ 641,113
				<u>Setaside</u>	<u>Requests</u>	<u>App / Recom</u>
Small Projects						<u>Remaining</u>
1st Round				\$ -	\$ -	\$ -
2nd Round						\$ -
Non-Profit/General						
1st Round				\$ 6,578,180	\$ 1,514,238	\$ 1,041,113
2nd Round				\$ -	\$ -	\$ -
						\$ 1,041,113
credits recommended for qualifying non-profits =				\$ -		

<u>Applications not Allocated/Withdrawn</u>				<u>Amount Requested</u>		<u>Criteria Points</u>	
North Stone Residence	Helena	1/20/2012	Non-Profit	\$ 631,250	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
-				\$ -	\$ -	-	0
Total Applications not Funded				\$ -			
<u>Applications not Ranked</u>				\$ -			
-				\$ -			
Total Applications not Ranked				\$ -			
Grand Total Credits Requested				\$ 6,578,180			

* Project information is on the second sheet of this excel workbook
 \\DOCHLNFS\DivisionFiles2\hous\BOH\BOHSHARE\Board\Board Agendas,memos\12Bdagendas,memos\Board Packets\April Meetin

ig\2012 Tax Credit Projects w withdrawn app.xlsx]Summary



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

Terry "TJ" Show., Chairman
Peter "Rusty" Tatsey, Vice Chairman
Reis Fisher, Secretary
Kenneth Augare, Treasurer

RECEIVED

MAR 22 2012

DOC Housing

BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp Jr.
Peter "Rusty" Tatsey
Terry "TJ" Show
Shannon Augar
Reis Fisher
Jesse "Jay" St. Goddar
Woodrow "Jay" Well
Paul J. McEver
Henry Butterfl

February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Response to Request for Comments for Blackfeet Homes V

Dear Ms. Bair,

Thank you for reaching out to the Blackfeet Nation for comment on the Blackfeet Homes V housing project. As a representative of the Blackfeet community, I continue to strongly support the proposed housing project that will provide additional low income housing to the reservation.

I am well aware of the proposed project submitted to MBOH by Blackfeet Housing and will attest that the project is consistent with the tribe's mission of providing decent, safe, sanitary, and affordable housing to low income families of the Blackfeet Nation.

In response to the questions presented in your February 15, 2012 letter, please accept my following comments:

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Yes, the rents for the proposed project will serve those in our community that are in most need of affordable housing. The Blackfeet community consists of households with very low incomes that cannot support high rent payments. The average rent for comparable three- and four-bedroom units in our area is \$750 and \$825. With rents targeted at \$210 for three-bedroom and \$240 for four-bedroom units, this project will better suit the needs of our community and specifically meet the needs of reducing the 140 residents on Blackfeet Housing's waiting list.

Regarding the rents presented in your "Summary of Project Application", we have received from Blackfeet Housing a more detailed summary that demonstrates that while the projected rents for the project are \$210 per month for a three-bedroom unit and \$240 per month for a four-bedroom unit, there is a mechanism in place (the Housing Assistance Payment Agreement) to ensure that no family will

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Yes. The tribe currently has an unmet need of 519 rental housing units. The 24 unit Blackfeet Homes V project will help address this housing shortage and is consistent with the past tax credit projects the tribe has supported. This project is sized appropriately for the community and will compliment nearby community amenities and existing housing adjacent to the project site.

3. Is this type of housing appropriate for area housing market concerns?

Yes. With a waiting list of over 140 households, over 400 low-income tribal families living in overcrowded conditions, and a need for over 800 new units, the proposed project is desperately needed in our community. As far as the type of housing to be constructed – three and four-bedroom single-family detached homes – this style of construction is the most desirable form of construction on the reservation is very appropriate for the proposed project.

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5. Is the project located in an area with a high percentage of substandard units?

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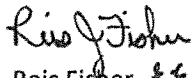
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7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

Yes. The project site is located within 1.3 - 2 miles of the elementary school, Bureau of Indian Affairs, a convenience store, grocery store, fire department, post office, community bank, fitness center, community center, and Glacier County Library. The Blackfeet Community Hospital is located less than 1 mile from the project site. These nearby amenities and community services will conveniently serve the residents of the project.

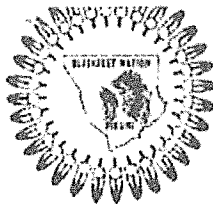
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Sincerely,



Reis Fisher

Blackfeet Tribal Business Council, Secretary



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

Terry "TJ" Show., Chairman
Peter "Rusty" Tatsey, Vice Chairman
Reis Fisher, Secretary
Kenneth Augare, Treasurer

BLACKFEET TRIBAL BUSINESS COUNCIL

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Woodrow "Jay" Welch
Paul J. McEwen
Henry Butterfield

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MAR 22 2012

DOC Housing

February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Response to Request for Comments for Blackfeet Homes V

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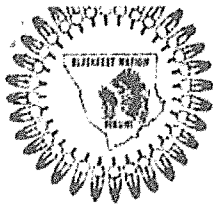
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Sincerely,



Shannon Augare
Blackfeet Tribal Business Council, Member



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

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Peter "Rusty" Tatsey, Vice Chairman
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Kenneth Augare, Treasurer

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MAR 14 2012

DOC Housing

BLACKFEET TRIBAL BUSINESS COUNCIL

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February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

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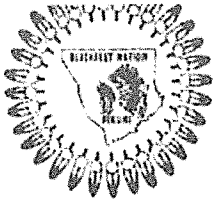
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Sincerely,



Paul McEvers

Blackfeet Tribal Business Council, Member



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

Terry "TJ" Show., Chairman
Peter "Rusty" Tatsey, Vice Chairman
Reis Fisher, Secretary
Kenneth Augare, Treasurer

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MAR 14 2012

DOC Housing

BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp J
Peter "Rusty" Tatsey
Terry "TJ" Show.
Shannon Augare
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Jesse "Jay" St. Goddard
Woodrow "Jay" Welch
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Henry Butterfield

February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

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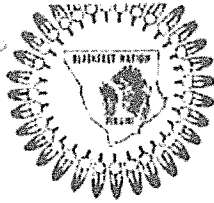
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Sincerely,

A handwritten signature in black ink, appearing to read "Henry Butterfly", written over a horizontal dotted line.

Henry Butterfly

Blackfeet Tribal Business Council, Member



BLACKFEET NATION

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EXECUTIVE COMMITTEE

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RECEIVED

MAR 14 2012

DOC Housing

BLACKFEET TRIBAL BUSINESS COUNCIL

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February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

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Yes. With a waiting list of over 140 households, over 400 low-income tribal families living in overcrowded conditions, and a need for over 800 new units, the proposed project is desperately needed in our community. As far as the type of housing to be constructed – three and four-bedroom single-family detached homes – this style of construction is the most desirable form of construction on the reservation is very appropriate for the proposed project.

4. Is the project located in a community identified hard to develop or distressed area?

Yes. The Blackfeet reservation is one of the most economically distressed areas in the state of Montana. A 2008 collaborative report by the Federal Reserve Bank system and the Brookings Institution reported that the over 34% of tribal members live below the poverty line and that the unemployment rate on the reservation is 23%. On a local level, Blackfeet Housing has designated this project to be located in a revitalization and housing priority area.

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Yes. The entire Blackfeet Reservation is located in an area with a high proportion of substandard units. Within the reservation, over 22% of all households are living in substandard housing, over 200 households lack complete kitchen facilities, and over 150 households lack complete plumbing facilities. In all, there is a need for over 900 units to be substantially rehabilitated within the Blackfeet Reservation.

6. Is the project location close to other low income projects of similar types?

Yes, however, the inclusion of this project will neither detract from nor negatively impact the marketability or occupancy of the existing low income projects. Blackfeet Homes V will be Blackfeet Housing's fifth tax credit project and will be located in the same general area as the previous four tax credit projects.

7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

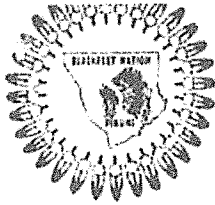
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In conclusion, the Blackfeet Tribal Business Council can affirm without hesitation that the Blackfeet Homes V project is desperately needed. We realize that the utilization of the LIHTC program allows us to maximize our limited resources to create significant change and improve our community. Thank you for the opportunity to continue to show our support for the Blackfeet Homes V Low Income Housing Tax Credit project.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter 'Rusty' Tatsey". The signature is stylized with a large, looped initial "P" and a long, sweeping underline.

Peter "Rusty" Tatsey
Blackfeet Tribal Business Council, Vice-Chairman



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

Terry "TJ" Show., Chairman
Peter "Rusty" Tatsey, Vice Chairman
Reis Fisher, Secretary
Kenneth Augare, Treasurer

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MAR 14 2012

DOC Housing

BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp J
Peter "Rusty" Tatsey
Terry "TJ" Show.
Shannon Augar
Reis Fisher
Jesse "Jay" St. Goddar
Woodrow "Jay" Wel
Paul J. McEver
Henry Butterfl

February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Response to Request for Comments for Blackfeet Homes V

Dear Ms. Bair,

Thank you for reaching out to the Blackfeet Nation for comment on the Blackfeet Homes V housing project. As a representative of the Blackfeet community, I continue to strongly support the proposed housing project that will provide additional low income housing to the reservation.

I am well aware of the proposed project submitted to MBOH by Blackfeet Housing and will attest that the project is consistent with the tribe's mission of providing decent, safe, sanitary, and affordable housing to low income families of the Blackfeet Nation.

In response to the question presented in your February 15, 2012 letter, please accept my following comments:

1. Do the rents address current housing needs for low income residents in your area?

Yes, the rents for the proposed project will serve those in our community that are in most need of affordable housing. The Blackfeet community consists of households with very low incomes that cannot support high rent payments. The average rent for comparable three- and four-bedroom units in our area is \$750 and \$825. With rents targeted at \$210 for three-bedroom and \$240 for four-bedroom units, this project will better suit the needs of our community and specifically meet the needs of reducing the 140 residents on Blackfeet Housing's waiting list.

Regarding the rents presented in your "Summary of Project Application", we have received from Blackfeet Housing a more detailed summary that demonstrates that while the projected rents for the project are \$210 per month for a three-bedroom unit and \$240 per month for a four-bedroom unit, there is a mechanism in place (the Housing Assistance Payment Agreement) to ensure that no family will pay more than 30% of their income for rent while still providing financial feasibility for the project. The

Tribal Council sees this as a critical component (beneficial component) to the proposed project as it allows this project to operate under the same rental policies that the tribe's existing NAHASDA low-rent projects operate.

2. Is the size of the project appropriate for the community?

Yes. The tribe currently has an unmet need of 519 rental-housing units. The 24 unit Blackfeet Homes V project will help address this housing shortage and is consistent with the past tax credit projects the tribe has supported. The project is appropriate for the community and will fit in nicely with nearby community amenities and existing housing adjacent to the project site.

3. Is this type of housing appropriate for area housing market concerns?

Yes. With a waiting list of over 140 households, over 400 low-income tribal families living in overcrowded conditions, and a need for over 800 new units, the proposed project is desperately needed in our community. As far as the type of housing to be constructed – three and four-bedroom single-family detached homes – this style of construction is the most desirable form of construction on the reservation is very appropriate for the proposed project.

4. Is the project located in a community identified hard to develop or distressed area?

Yes. The Blackfeet reservation is one of the most economically distressed areas in the state of Montana. A 2008 collaborative report by the Federal Reserve Bank system and the Brookings Institution reported that the over 34% of tribal members live below the poverty line and that the unemployment rate on the reservation is 23%. On a local level, Blackfeet Housing has designated this project to be located in a revitalization and housing priority area.

5. Is the project located in an area with a high percentage of substandard units?

Yes. The entire Blackfeet Reservation is located in an area with a high proportion of substandard units. Within the reservation, over 22% of all households are living in substandard housing, over 200 households lack complete kitchen facilities, and over 150 households lack complete plumbing facilities. In all, there is a need for over 900 units to be substantially rehabilitated within the Blackfeet Reservation.

6. Is the project location close to other low income projects of similar types?

Yes, however, the inclusion of this project will neither detract from nor negatively impact the marketability or occupancy of the existing low income projects. Blackfeet Homes V will be Blackfeet Housing's fifth tax credit project and will be located in the same general area as the previous four tax credit projects.

7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

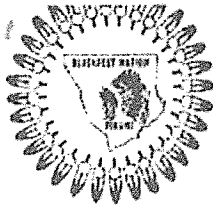
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In conclusion, the Blackfeet Tribal Business Council can affirm without hesitation that the Blackfeet Homes V project is desperately needed. We realize that the utilization of the LIHTC program allows us to maximize our limited resources to create significant change and improve our community. Thank you for the opportunity to continue to show our support for the Blackfeet Homes V Low Income Housing Tax Credit project.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay St. Goddard", written over a horizontal dotted line.

Jessie "Jay" St. Goddard
Blackfeet Tribal Business Council, Member



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

Terry "TJ" Show., Chairman
Peter "Rusty" Tatsey, Vice Chairman
Reis Fisher, Secretary
Kenneth Augare, Treasurer

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MAR 14 2012

DOC Housing

BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp J
Peter "Rusty" Tatsey
Terry "TJ" Show.
Shannon Augare
Reis Fisher
Jesse "Jay" St. Godard
Woodrow "Jay" Wells
Paul J. McEver
Henry Butterfield

February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Response to Request for Comments for Blackfeet Homes V

Dear Ms. Bair,

Thank you for reaching out to the Blackfeet Nation for comment on the Blackfeet Homes V housing project. As a representative of the Blackfeet community, I continue to strongly support the proposed housing project that will provide additional low income housing to the reservation.

I am well aware of the proposed project submitted to MBOH by Blackfeet Housing and will attest that the project is consistent with the tribe's mission of providing decent, safe, sanitary, and affordable housing to low income families of the Blackfeet Nation.

In response to the question presented in your February 15, 2012 letter, please accept my following comments:

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Regarding the rents presented in your "Summary of Project Application", we have received from Blackfeet Housing a more detailed summary that demonstrates that while the projected rents for the project are \$210 per month for a three-bedroom unit and \$240 per month for a four-bedroom unit, there is a mechanism in place (the Housing Assistance Payment Agreement) to ensure that no family will pay more than 30% of their income for rent while still providing financial feasibility for the project. The

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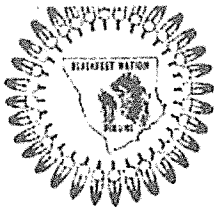
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Sincerely,



Woodrow "Jay" Wells

Blackfeet Tribal Business Council, Member



BLACKFEET NATION

P.O. BOX 850 BROWNING, MONTANA 59417
(406) 338-7521 FAX (406) 338-7530

EXECUTIVE COMMITTEE

Terry "TJ" Show., Chairman
Peter "Rusty" Tatsey, Vice Chairman
Reis Fisher, Secretary
Kenneth Augare, Treasurer

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MAR 14 2012
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BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp J
Peter "Rusty" Tatsey
Terry "TJ" Show.
Shannon Augare
Reis Fisher
Jesse "Jay" St. Goddar
Woodrow "Jay" Wel
Paul J. McEver
Henry Butterfl

February 27, 2012

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Response to Request for Comments for Blackfeet Homes V

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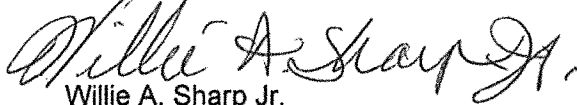
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Sincerely,

A handwritten signature in black ink, reading "Willie A. Sharp Jr.", written in a cursive style.

Willie A. Sharp Jr.

Blackfeet Tribal Business Council, Member

RECEIVED
JAN 20 2012
BY: _____

Date: 01/15/2012

To Whom It May Concern:

I need affordable housing and I support the Housing Authority of Billings' efforts to develop additional
low income housing unit off-Sioux Lane in Billings (Red Fox Apartments).

Chelsie Ralt
Signed

Chelsie Ralt
Print Name

3318 shenandoah Dr.
Address

Billings, MT 59102
City, St Zip





Heights Community Development Task Force

January 31, 2012

Lucy Brown
Housing Authority of Billings
2415 1st Ave North
Billings, MT 59101

Dear Lucy,

I am writing a letter of support for the Housing Authority of Billings on the behalf of the Heights Community Development Task Force. The Housing Authority presented a proposal for an affordable housing project in the Whitetail Square Subdivision and it is the Task Force's opinion that that this project will serve the community well.

The project would provide 30 housing units consisting of 1, 2, 3 and 4 bedroom units designed for long term sustainability. The addition of this energy conservation minded project to our community will have long term benefits for our community and the residents it will serve.

Thank you for your time and attention in this matter.

Respectfully,

Thomas J. Blinn
Chairman
Heights Community Development Task Force



CITY OF BILLINGS

CITY COUNCIL

P.O. BOX 1178
BILLINGS, MONTANA 59103
(406) 657-8433
FAX (406) 657-8390



Mary Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 2000528
Helena MT 59620

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FEB 27 2012

DOC Housing

RE: Red Fox Apartments

Thank you for asking for my comments on the Red Fox Apartments. As you have requested, I will address your specific questions in the order that you submitted them to me.

1. The area of this project is in one of the areas of my Ward that supports and houses many of the low income families of Billings Heights, and has a few other income assisted housing developments.
2. This project has been planned specifically for this area, and the size has been limited so that it is appropriate for this neighborhood.
3. The type of housing this provides allows for an appropriate marketing as well as taking into consideration surrounding properties. The heights is mainly middle class families, and this provides a high quality assisted housing within that demographic.
4. This area has been an empty field until the past few years, and this property was secured for this specific purpose. It will add to the community and enhance this neighborhood.
5. No, most of the properties in this area are newer homes or well kept houses.
6. Yes, VOA has a low income senior facility within a block of this project, as well as several other low income projects. It is also within a mile of the newly build VOA Independence Hall, a transition facility for homeless veterans seeking to rebuild their lives. This would be a great transition for anyone leaving that program.
7. Both the Billings Clinic and St. Vincent's Hospital have clinics within one mile of this project. It is also on a main bus line, and within walking distance of a half a dozen churches.

Thank you for your support of this and many of the projects that have been happening in Billings Heights. It has been a positive experience, and we look forward to many more projects with the Montana Board of Housing.

If you have any further questions, please feel free to contact me at any time.

Sincerely,

Denis Pittman
Billings City Councilman Ward 2
Billings Heights
726 Aquarius Place
Billings MT 59105
406-670-7430

Billings Pride:
City-wide

MONTANA

Department of Commerce

MONTANA BOARD OF HOUSING

P.O. Box 200528 * Helena, Montana 59620-0528 * www.housing.mt.gov
Phone: 406-841-2840 * 1-800-761-6264 * Fax: 406-841-2841 * TDD: 406-841-2702

February 15, 2012

Denis Pitman
City of Billings
210 North 27th St
Billings, MT 59101

RE: Request Comments for Red Fox Apartments

Dear Council Member Pitman:

The Montana Board of Housing (MBOH) administers the Low Income Housing Tax Credit Program in the State of Montana. Congress established the Low Income Housing Tax Credit with the provisions of the Tax Reform Act of 1986 to provide for retention, rehabilitation, and construction of rental housing for low income individuals and families.

The Montana Board of Housing has received an application for Red Fox Apartments in your area. Please see attached "Summary of Project Application" schedule(s) for the project's details.

We ask for your input because we are extremely interested in any comments you may have regarding the project(s). We realize you or your organization may have expressed support for this project previously, however we are required to request comments independently. Please answer the following questions specifically:

1. Do the rents address current housing needs for low income residents in your area?
2. Is the size of the project appropriate for the community?
3. Is this type of housing appropriate for area housing market concerns?
4. Is the project located in a community identified hard to develop or distressed area?
5. Is the project located in an area with a high percentage of substandard units?
6. Is the project location close to other low income projects of similar type?
7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

If you cannot specifically answer any of the above questions please indicate so and provide any general comments you feel necessary.

The input from the local communities is critical to our review process. Any comments you or your staff may have would be extremely helpful. We are also requesting comments from other sources in the community.

We would appreciate a response by March 26, 2012 as the funding decisions will be made in April.

Sincerely,



Mary S. Bair
Multifamily Program Manager
Montana Board of Housing

enc



COMMUNITY DEVELOPMENT DIVISION

PLANNING & COMMUNITY SERVICES DEPARTMENT
510 NORTH BROADWAY, 4TH FLOOR, PO BOX 1178
BILLINGS, MONTANA 59103



February 23, 2012

Montana Board of Housing
Low Income Housing Tax Credit Program
PO Box 200528
Helena, MT 59620

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FEB 27 2012

DOC Housing

Re: Low Income Housing Tax Credit Application, Housing Authority of Billings, Red Fox Apartments

Dear Sirs,

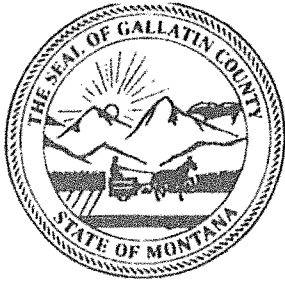
Please find the City's response to the Montana Board of Housing's request for comments on the above mentioned project:

- Rents positively address the current housing needs for low income residents in the Billings area, particularly those utilizing additional public assistance.
 - Please note, current FY2012 fair market rents are as follows: 1 bedroom \$551; 1 bedroom \$713; 3 bedroom \$962; 4 bedroom \$1,158.
- Size of the project is appropriate for the Billings community. City staff is appreciative of larger, four-bedroom units being offered at both 40% and 50% of the area median income.
- The type of housing is appropriate for the area housing market and meets a critical need for affordable rental housing in the Billings area.
- This project is located in a current low-income area, according to the 2010 Census. The areas in which multi-family housing can be developed in Billings are very limited, and the property is appropriately zoned for multi-family construction.
- The project is located in an area where 39% of low income households are experiencing severe cost burden, 2% are experiencing overcrowding, and less than 3% of the units are substandard due to the age of the properties developed in the Billings Heights area.
- This project is located adjacent to Whitetail Run, the first phase of the project, which is a similar type. Other public and assisted housing units are located in the Heights area but are not located directly adjacent to this project. The first phase of the project has brought great value to the surrounding properties.
- The project is close to medical care, grocery shopping, schools, public transportation services and employment opportunities.

Should you have questions or require additional information, do not hesitate to contact me via phone at 406.657.8286 or email beckettb@ci.billings.mt.us.

Sincerely,

Brenda Beckett
Community Development Manager



March 2nd, 2012

Montana Department of Commerce
Attn. Mary Bair, Program Manager
Montana Board of Housing
P. O. Box 200528
Helena, MT 59620-0528

Dear Ms. Bair:

We are writing in response to your correspondence dated February 15th requesting our input regarding the Haggerty Lane & Stoneridge Apartments projects in Bozeman. You asked that we respond to seven specific questions regarding these projects. Our response is as follows:

Haggerty Lane Apartments

1) *Do the rents address current housing needs for low-income residents in your community?*

The City of Bozeman recently commissioned an affordable housing needs assessment. The study highlighted a need for rental housing affordable to households earning less than \$30,000/year, with the greatest need for households earning less than \$20,000/year. The study also found a need for more one-bedroom units, which were the only LIHTC units in Bozeman charging the maximum rents as of December 2011 (2 bedrooms were rented at an average of 90% of maximum rents, while 3 bedrooms were rented at approximately 75% of maximum rents as of December 2011). This study found that the vacancy rate in all subsidized rentals properties in December 2011 was approximately 2-3%. The study concluded that the need for LIHTC apartments in Bozeman was greatest at levels below 50% AMI, especially at the 30% level. The proposed project will provide one 1-bedroom apartment, two units at the 40% AMI level, and five units at the 50% AMI level, meeting areas of need noted in the study.

2) *Is the size of the project appropriate for the community?*

The City's affordable housing needs assessment concluded that the need for affordable rental housing in the community was so great that 40-50 units should be built every other year until the demand is met.

3) *Is this type of housing appropriate for area housing market concerns?*

Rental housing, particularly subsidized rental housing was highlighted as the greatest unmet housing need in Bozeman in the recent housing study. The proposed project is consistent with the needs of the local housing market.

GALLATIN COUNTY

311 West Main, Rm. 306 • Bozeman, MT 59715

County Commission

William A. Murdock
Joe P. Skinner
Steve White

Phone (406) 582-3000
FAX (406) 582-3003

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4) *Is the project located in a community identified hard to develop or distressed area?*

The project is not located in a Qualified Census Tract or Difficult to Develop area.

5) *Is the project located in an area with a high percentage of substandard units?*

There is not a great deal of recent data that indicates a high percentage of substandard units in the community. According to the Census, 2.1% of units were without complete kitchen or bathroom facilities. City officials also note an increase in illegal rentals, along with the safety concerns they present (egress, ventilation, etc.).

6) *Is the project close to other low-income projects of similar type?*

The project is adjacent to Comstock Apartments, a LIHTC project by the same developer of the proposed project. The proximity of the projects will allow for shared management staff to decrease costs.

7) *Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?*

The Haggerty Lane apartments are located near Bozeman Deaconess Hospital. Other services (schools, grocery) are easily accessed via Streamline bus, which has a stop within walking distance.

Stoneridge Apartments

1) *Do the rents address current housing needs for low-income residents in your community?*

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2) *Is the size of the project appropriate for the community?*

The City's affordable housing needs assessment concluded that the need for affordable rental housing in the community was so great that 40-50 units should be built every other year until the demand is met.

3) ***Is this type of housing appropriate for area housing market concerns?***

Rental housing, particularly subsidized rental housing was highlighted as the greatest unmet housing need in Bozeman in the recent housing study. The proposed project is consistent with the needs of the local housing market.

4) ***Is the project located in a community identified hard to develop or distressed area?***

The project is not located in a Qualified Census Tract or Difficult to Develop area.

5) ***Is the project located in an area with a high percentage of substandard units?***

There is not a great deal of recent data that indicates a high percentage of substandard units in the community. According to the Census, 2.1% of units were without complete kitchen or bathroom facilities. City officials also note an increase in illegal rentals, along with the safety concerns they present (egress, ventilation, etc.).

6) ***Is the project close to other low-income projects of similar type?***

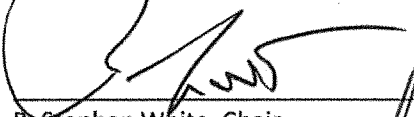
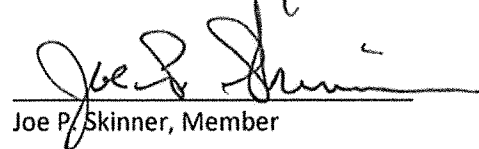
The closest subsidized units are Castlebar Apartments; there is not a high concentration of subsidized units in the area.

7) ***Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?***

While not within walking distances of services and shopping, the project is has good access to Streamline bus routes.

Please let us know if we can be of further assistance to you in providing comments regarding these developments.

Sincerely,
Gallatin County Commission


R. Stephen White, Chair
William A. Murdock, Member
Joe P. Skinner, Member



CITY OF BOZEMAN

DEPARTMENT OF PLANNING AND COMMUNITY DEV

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March 23, 2012

Mary S. Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

Post-it* Fax Note	7671	Date	3/23/12	# of pages	1
To	Mary Bair	From	Tim McHarg		
Co./Dept.	MT Board of Housing	Co.	Bozeman Planning		
Phone #		Phone #	406.582.22		
Fax #	406.841.2841	Fax #			

Transmitted via facsimile: (406) 841-2841
Hard Copy to follow via US Mail

RE: Comments on LIHTC Applications for Haggerty Lane Apartments and Stoneridge Apartments

Dear Ms. Bair:

I am in receipt of your February 15 letter to Bozeman City Commissioner Cynthia Andrus, in which comments on the Low Income Housing Tax Credit (LIHTC) Applications for the Haggerty Land and Apartments. The Bozeman City Commission has directed me to respond to your letter on their behalf.

Before I address the specific questions in your February, I would like to offer some preliminary comments.

The City of Bozeman has recently completed an Affordable Housing Needs Assessment in March, 2011. For your reference, the Final Report of the Needs Assessment is available on the following location on the City website:

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Specific to these two LIHTC applications, the Needs Assessment identified the following issues in the housing market:

- Very low vacancy rates for rental housing. Based on a rent survey, the vacancy rate was 1.8%.
- High percentages of cost burdened renter households. Based on the 2010 Census data, 49.3% of households paid more than 30% of their household income on rent. The percentage of cost burdened renter households was particularly acute in the segment of the population with annual household income below \$35,000 (84% of AMI).
- Significant need for LIHTC projects. According to the 2010 Census, there were 1,279 renter households with incomes between \$20,000 and \$35,000 a year (between 48% and 84% of AMI) paying more than 30% of their income on housing. In addition there are another 2,244 cost burdened renter households with incomes below \$20,000 a year, which yields a total rental housing need of more than 3,500 households. Renters in the \$20,000 - \$35,000 income range are the target market for below-market rental housing funded through the LIHTC program.
- As of December 2011 vacancy rates in existing local LIHTC projects were very low—2% to 3%. Rent levels in these properties are as follows: \$350-\$490 for one-bedroom units, \$410-\$600 for two-bedroom units.

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- No LIHTC projects have been built in Bozeman since 2005—likely due to the downturn in the national and local market as well as competition for tax credits from projects elsewhere in Montana.
- Development of rental housing using the LIHTC program is a high priority for the City of Bozeman, given that this program has provided rents in affordable to Bozeman households from 40% to 60% of AMI (\$16,680 to \$25,020 annual income).

With those preliminary comments as context, the City of Bozeman offers the following comments in response to the specific questions in your February 15 letter:

Haggerty Lane Apartments

1. Do the rents address current housing needs for low income residents in your area?

Yes. The proposed Haggerty Lane Apartments rents address a critical shortage of for below market rental housing for households with incomes between 40% and 60% of AMI, as identified in the City's Affordable Housing Needs Assessment.

2. Is the size of the project appropriate for the community?

Yes. The zoning and subdivision of the site has been designed to accommodate a multifamily project of this scale. The proposed Haggerty Lane Apartments project is consistent with the surrounding environment context, available infrastructure, and applicable land use regulations. The small project has been designed to be compatible with the mix of single family and townhome units in the immediate area. The project has completed an informal review through the City's Development Committee. This review identified no issues that would prevent the proposed 11 unit project from being approved at such time as a formal development application was submitted.

3. Is this type of housing appropriate for area housing market concerns?

Yes. Development of rental housing using the LIHTC program is a high priority for the City of Bozeman, given that this program has provided rents in affordable to Bozeman households from 40% to 60% of AMI. The Haggerty Lane Apartments project was reviewed by the City of Bozeman Affordable Housing Advisory Board (CAHAB) on January 12, which resulted in a unanimous recommendation for approval. Based on the aforementioned informal review of the project, the recommendation of the CAHAB, and the policy foundation of the Affordable Housing Needs Assessment and the Bozeman Community Plan, the City of Bozeman previously provided a letter of support for the Haggerty Lane Apartments project in mid-January, 2012.

4. Is the project located in a community identified hard to develop or distressed area?

No.

5. Is the project located in an area with a high percentage of substandard units?

No.

6. Is the project location close to other low income projects of similar type?

Yes. The proposed Haggerty Lane Apartments project is within 0.25 miles of the Comstock Commons.

Phases 1, 2 and 3. The three phases of the Comstock apartments are 32, 34, and 28 units respectively. The proposed 11 unit project would be of significantly smaller scale than the Comstock Apartments.

7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

Yes. The proposed site for the Haggerty Lane Apartments is an excellent location for multi-family housing. It is within walking distance of public transit service, park/open space/trail facilities, Bozeman Deaconess Hospital. The site is approximately 1.5 miles from Downtown Bozeman. The area offers a full range of services and amenities, including a grocery store and Hawthorn elementary school. The local public transit service provides connections to all local services, amenities, schools and employers.

Stoneridge Apartments

1. Do the rents address current housing needs for low income residents in your area?

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2. Is the size of the project appropriate for the community?

Yes. The zoning and subdivision of the site has been designed to accommodate a multifamily development of this scale, and the subject lot within the West Winds Subdivision was intended for an affordable multifamily development. The proposed Stoneridge Apartments project is consistent with the surrounding environment context, available infrastructure, and applicable land use regulations. The scale of the project has been designed to be compatible with the mix of single family, townhome and multifamily housing in the immediate area. The project has completed an informal review through the City's Development Committee. This review identified no issues that would prevent the proposed 40 unit project from being approved at such time as a formal development application was submitted.

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Despite the proximity to other LIHTC projects, the City does not believe that this is an undue concentration of similar projects. Rather, the proximity reflects fundamental urban planning that high density residential projects should be located in areas with sufficient services, infrastructure, parks/open space, employment opportunities, and access to public transit.

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Yes. The proposed site for the Stoneridge Apartments is an excellent location for multi-family. It is within walking distance of public transit service, park/open space/trail facilities, retail services (including a grocery store), and Emily Dickinson elementary school. The local public transit provides connections to all local services, amenities, schools, and employers.

In closing, the City of Bozeman would like to reiterate our strong support for both the Haggerty Lane and Stoneridge Apartments. These projects are distinct from each other in terms of location and scale. We respectfully urge the Montana Board of Housing to allocate Low Income Housing Tax Credits to both based upon the needs for this type of housing in the Bozeman community.

Please do not hesitate to contact me with any questions or requests for additional information.

Regards,

Tim McHarg, AICP
Planning Director

CC: Mayor and City Commission
Chris Kukulski, City Manager
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**CITY OF BOZEMAN
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planning@bozeman.net
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March 23, 2012

Mary S. Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RECEIVED

MAR 27 2012

DOC Housing

*Transmitted via facsimile: (406) 841-2841
Hard Copy to follow via US Mail*

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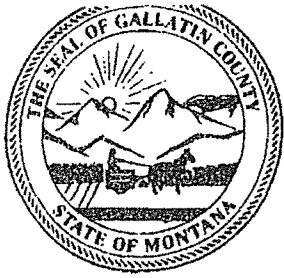
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Please do not hesitate to contact me with any questions or requests for additional information.

Regards,

Tim McHarg, AICP
Planning Director

CC: Mayor and City Commission
Chris Kukulski, City Manager
Stacy Ulmen, City Clerk
Brian Krueger, Associate Planner
Doug Riley, Associate Planner



March 2nd, 2012

Montana Department of Commerce
Attn. Mary Bair, Program Manager
Montana Board of Housing
P. O. Box 200528
Helena, MT 59620-0528

Dear Ms. Bair:

We are writing in response to your correspondence dated February 15th requesting our input regarding the Haggerty Lane & Stoneridge Apartments projects in Bozeman. You asked that we respond to seven specific questions regarding these projects. Our response is as follows:

Haggerty Lane Apartments

1) *Do the rents address current housing needs for low-income residents in your community?*

The City of Bozeman recently commissioned an affordable housing needs assessment. The study highlighted a need for rental housing affordable to households earning less than \$30,000/year, with the greatest need for households earning less than \$20,000/year. The study also found a need for more one-bedroom units, which were the only LIHTC units in Bozeman charging the maximum rents as of December 2011 (2 bedrooms were rented at an average of 90% of maximum rents, while 3 bedrooms were rented at approximately 75% of maximum rents as of December 2011). This study found that the vacancy rate in all subsidized rentals properties in December 2011 was approximately 2-3%. The study concluded that the need for LIHTC apartments in Bozeman was greatest at levels below 50% AMI, especially at the 30% level. The proposed project will provide one 1-bedroom apartment, two units at the 40% AMI level, and five units at the 50% AMI level, meeting areas of need noted in the study.

2) *Is the size of the project appropriate for the community?*

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Rental housing, particularly subsidized rental housing was highlighted as the greatest unmet housing need in Bozeman in the recent housing study. The proposed project is consistent with the needs of the local housing market.

GALLATIN COUNTY

311 West Main, Rm. 306 • Bozeman, MT 59715

County Commission

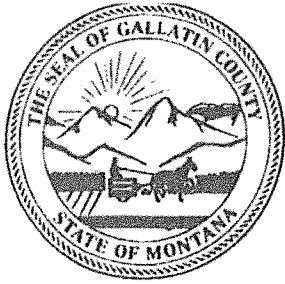
William A. Murdock
Joe P. Skinner
Steve White

Phone (406) 582-3000
FAX (406) 582-3003

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MAR 09 2012

DOC Housing



GALLATIN COUNTY

311 West Main, Rm. 306 • Bozeman, MT 59715

County Commission

William A. Murdock
Joe P. Skinner
Steve White

Phone (406) 582-3000
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March 19, 2012

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MAR 22 2012

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Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

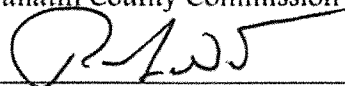
RE: Stoneridge Apartments, Summit Housing Group, Inc.'s Application

Member of the Board:


Please accept this letter of support for the Summit Housing Group, Inc.'s proposed development of the Stoneridge Apartments in Bozeman. This development is slated to serve the needs of families in community by providing 20 new two-bedroom units and 20 new three-bedroom units at the corner of Tschache Lane and North 27th Ave. The availability of low income housing in our community is a growing need and we support the efforts of the Summit Housing Group to provide affordable housing to the residents of our County.

Please give positive consideration to this project. We look forward to the addition of this multi-family project in our area.

Sincerely,
Gallatin County Commission


R. Stephen White, Chair


William A. Murdock, Member


Joe P. Skinner, Member

4) *Is the project located in a community identified hard to develop or distressed area?*

The project is not located in a Qualified Census Tract or Difficult to Develop area.

5) *Is the project located in an area with a high percentage of substandard units?*

There is not a great deal of recent data that indicates a high percentage of substandard units in the community. According to the Census, 2.1% of units were without complete kitchen or bathroom facilities. City officials also note an increase in illegal rentals, along with the safety concerns they present (egress, ventilation, etc.).

6) *Is the project close to other low-income projects of similar type?*

The project is adjacent to Comstock Apartments, a LIHTC project by the same developer of the proposed project. The proximity of the projects will allow for shared management staff to decrease costs.

7) *Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?*

The Haggerty Lane apartments are located near Bozeman Deaconess Hospital. Other services (schools, grocery) are easily accessed via Streamline bus, which has a stop within walking distance.

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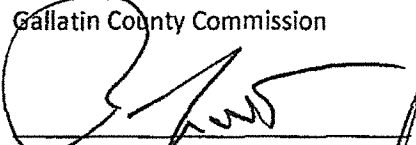
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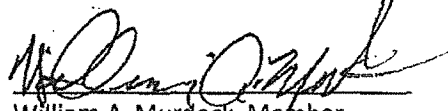
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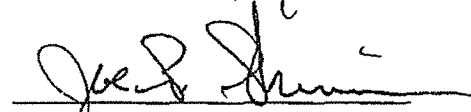
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P.O. Box 1230
Bozeman, Montana 59771-1230

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fax
planning@
www

March 23, 2012

Mary S. Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

Post-it* Fax Note	7671	Date	3/23/12	# of pages	2
To	Mary Bair	From	Tim McHarg		
Co./Dept.	MT Board of Housing	Co.	Bozeman Planning		
Phone #		Phone #	406.582.2222		
Fax #	406.841.2841	Fax #			

Transmitted via facsimile: (406) 841-2841
Hard Copy to follow via US Mail

RE: Comments on LIHTC Applications for Haggerty Lane Apartments and Stoneridge Apartments

Dear Ms. Bair:

I am in receipt of your February 15 letter to Bozeman City Commissioner Cynthia Andrus, in which you comment on the Low Income Housing Tax Credit (LIHTC) Applications for the Haggerty Lane and Stoneridge Apartments. The Bozeman City Commission has directed me to respond to your letter on their behalf.

Before I address the specific questions in your February 15 letter, I would like to offer some preliminary comments.

The City of Bozeman has recently completed an Affordable Housing Needs Assessment in March, 2011. For your reference, the Final Report of the Needs Assessment is available on the following location on the City website:

[http://www.bozeman.net/Departments-\(1\)/Planning/Reports-and-Documents.aspx](http://www.bozeman.net/Departments-(1)/Planning/Reports-and-Documents.aspx)

Specific to these two LIHTC applications, the Needs Assessment identified the following issues in the housing market:

- Very low vacancy rates for rental housing. Based on a rent survey, the vacancy rate was 1.5%.
- High percentages of cost burdened renter households. Based on the 2010 Census data, 49.3% of households paid more than 30% of their household income on rent. The percentage of cost burdened renter households was particularly acute in the segment of the population with annual household income below \$35,000 (84% of AMI).
- Significant need for LIHTC projects. According to the 2010 Census, there were 1,279 renter households with incomes between \$20,000 and \$35,000 a year (between 48% and 84% of AMI) paying more than 30% of their income on housing. In addition there are another 2,244 cost burdened renter households with incomes below \$20,000 a year, which yields a total rental housing need of more than 3,500 households. Renters in the \$20,000 - \$35,000 income range are the target market for below-market rental housing funded through the LIHTC program.
- As of December 2011 vacancy rates in existing local LIHTC projects were very low—2% to 3%. Rent levels in these properties are as follows: \$350-\$490 for one-bedroom units, \$410-\$600 for two-bedroom units.

bedroom units, \$605-\$695 for three-bedroom units, and \$645 for a single four-bedroom unit. One-bedroom units are apparently the most in demand, since rents are now at virtually 100% of the permitted rent levels. Two-bedroom units are at 90% of the maximum allowed rents, while three-bedroom units are at only 75% of the allowed rent levels.

- No LIHTC projects have been built in Bozeman since 2005—likely due to the downturn in the national and local market as well as competition for tax credits from projects elsewhere in Montana.
- Development of rental housing using the LIHTC program is a high priority for the City of Bozeman, given that this program has provided rents in affordable to Bozeman households from 40% to 60% of AMI (\$16,680 to \$25,020 annual income).

With those preliminary comments as context, the City of Bozeman offers the following comments in response to the specific questions in your February 15 letter:

Haggerty Lane Apartments

1. Do the rents address current housing needs for low income residents in your area?

Yes. The proposed Haggerty Lane Apartments rents address a critical shortage of for below market rental housing for households with incomes between 40% and 60% of AMI, as identified in the City's Affordable Housing Needs Assessment.

2. Is the size of the project appropriate for the community?

Yes. The zoning and subdivision of the site has been designed to accommodate a multifamily project of this scale. The proposed Haggerty Lane Apartments project is consistent with the surrounding neighborhood environment context, available infrastructure, and applicable land use regulations. The small project has been designed to be compatible with the mix of single family and townhome units in the immediate area. The project has completed an informal review through the City's Development Review Committee. This review identified no issues that would prevent the proposed 11 unit project from being approved at such time as a formal development application was submitted.

3. Is this type of housing appropriate for area housing market concerns?

Yes. Development of rental housing using the LIHTC program is a high priority for the City of Bozeman, given that this program has provided rents in affordable to Bozeman households from 40% to 60% of AMI. The Haggerty Lane Apartments project was reviewed by the City of Bozeman's Affordable Housing Advisory Board (CAHAB) on January 12, which resulted in a unanimous recommendation for approval. Based on the aforementioned informal review of the project, the recommendation of the CAHAB, and the policy foundation of the Affordable Housing Needs Assessment and the Bozeman Community Plan, the City of Bozeman previously provided a letter of support for the Haggerty Lane Apartments project in mid-January, 2012.

4. Is the project located in a community identified hard to develop or distressed area?

No.

5. Is the project located in an area with a high percentage of substandard units?

No.

6. Is the project location close to other low income projects of similar type?

Yes. The proposed Haggerty Lane Apartments project is within 0.25 miles of the Comstock Commons project.

Phases 1, 2 and 3. The three phases of the Comstock apartments are 32, 34, and 28 units respectively. The proposed 11 unit project would be of significantly smaller scale than the Comstock Apartments.

7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

Yes. The proposed site for the Haggerty Lane Apartments is an excellent location for multi-family housing. It is within walking distance of public transit service, park/open space/trail facilities, Bozeman Deaconess Hospital. The site is approximately 1.5 miles from Downtown Bozeman. The area offers a full range of services and amenities, including a grocery store and Hawthorn elementary school. The local public transit service provides connections to all local services, amenities, schools and employers.

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1. Do the rents address current housing needs for low income residents in your area?

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Yes. The zoning and subdivision of the site has been designed to accommodate a multifamily development of this scale, and the subject lot within the West Winds Subdivision was intended for an affordable development. The proposed Stoneridge Apartments project is consistent with the surrounding environment context, available infrastructure, and applicable land use regulations. The scale has been designed to be compatible with the mix of single family, townhome and multifamily in the immediate area. The project has completed an informal review through the City's Development Committee. This review identified no issues that would prevent the proposed 40 unit project from being approved at such time as a formal development application was submitted.

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Despite the proximity to other LIHTC projects, the City does not believe that this is an undue concentration of similar projects. Rather, the proximity reflects fundamental urban planning that high density residential projects should be located in areas with sufficient services, infrastructure, parks/open space, employment opportunities, and access to public transit.

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Yes. The proposed site for the Stoneridge Apartments is an excellent location for multi-family. It is within walking distance of public transit service, park/open space/trail facilities, retail services (including a grocery store), and Emily Dickinson elementary school. The local public transit provides connections to all local services, amenities, schools, and employers.

In closing, the City of Bozeman would like to reiterate our strong support for both the Haggerty Lane and Stoneridge Apartments. These projects are distinct from each other in terms of location and scale. We respectfully urge the Montana Board of Housing to allocate Low Income Housing Tax Credits to both based upon the needs for this type of housing in the Bozeman community.

Please do not hesitate to contact me with any questions or requests for additional information.

Regards,

Tim McHarg, AICP
Planning Director

CC: Mayor and City Commission
Chris Kukulski, City Manager
Stacy Ulmen, City Clerk
Brian Krueger, Associate Planner
Doug Riley, Associate Planner



**CITY OF BOZEMAN
DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT**

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20 East Olive Street
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www.bozeman.net

March 23, 2012

Mary S. Bair
Multifamily Program Manager
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PO Box 200528
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MAR 27 2012
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Please do not hesitate to contact me with any questions or requests for additional information.

Regards,

Tim McHarg, AICP
Planning Director

CC: Mayor and City Commission
Chris Kukulski, City Manager
Stacy Ulmen, City Clerk
Brian Krueger, Associate Planner
Doug Riley, Associate Planner

MONTANA
Department of Commerce

MONTANA BOARD OF HOUSING

P.O. Box 200528 • Helena, Montana 59620-0528 • www.housing.mt.gov
Phone: 406-841-2840 • 1-800-761-6264 • Fax: 406-841-2841 • TDD: 406-841-2702

RECEIVED

FEB 24 2012

DOC Housing

February 15, 2012

Lynn Westad
City of Dillon
125 N Idaho Street
Dillon, MT 59725

RE: Request Comments for Deer Park Apartments

Dear Council Member Westad:

The Montana Board of Housing (MBOH) administers the Low Income Housing Tax Credit Program in the State of Montana. Congress established the Low Income Housing Tax Credit with the provisions of the Tax Reform Act of 1986 to provide for retention, rehabilitation, and construction of rental housing for low income individuals and families.

The Montana Board of Housing has received an application for Deer Park Apartments in your area. Please see attached "Summary of Project Application" schedule(s) for the project's details.

We ask for your input because we are extremely interested in any comments you may have regarding the project(s). We realize you or your organization may have expressed support for this project previously, however we are required to request comments independently. Please answer the following questions specifically:

1. Do the rents address current housing needs for low income residents in your area? *yes*
2. Is the size of the project appropriate for the community? *yes*
3. Is this type of housing appropriate for area housing market concerns? *yes*
4. Is the project located in a community identified hard to develop or distressed area? *yes*
5. Is the project located in an area with a high percentage of substandard units? *no*
6. Is the project location close to other low income projects of similar type?
7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)? *yes*

If you cannot specifically answer any of the above questions please indicate so and provide any general comments you feel necessary.

The input from the local communities is critical to our review process. Any comments you or your staff may have would be extremely helpful. We are also requesting comments from other sources in the community.

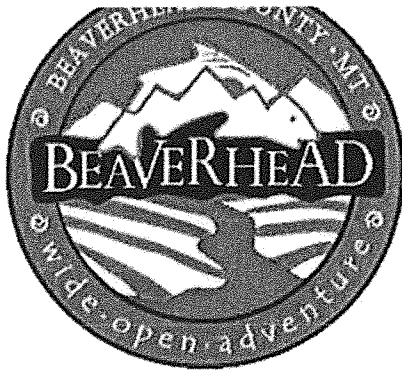
We would appreciate a response by March 26, 2012 as the funding decisions will be made in April.

Sincerely,

Mary S. Bair

Mary S. Bair
Multifamily Program Manager
Montana Board of Housing

enc



Beaverhead County Planning Department
2 South Pacific St., Ste. #7
Dillon, MT 59725-4000

Phone: (406)683-3765 Fax: (406)683-3769

Rick Hartz

Land Use & Planning Coordinator

rhartz@beaverheadcounty.org

February 28, 2012

RECEIVED

FEB 29 2012

DOC Housing

Montana Department of Commerce
Montana Board of Housing
Mary Bair, Program Manager
P.O. Box 200528
Helena, Montana 59620-0528

RE: Comments on the proposed Deer Park Apartments in Dillon:

Dear Ms. Bair:

Your letter dated February 15, 2012, requested comment to seven specific questions. In the order of the seven questions, my response is as follows:

1. Demographic information indicates that there is a sizable percentage of our County's population who are 55 years of age or older and are living on a fixed limited income. This project will not address the needs of the very poor (\$15,000 per year or less), but will offer opportunities for older citizens who need options other than assisted living or nursing home facilities.
2. The 24 purposed units appear to be in line with the expected growth of our older population in this area.
3. There is concern among those who rent in the Dillon area that the college student population puts pressure on the number of available units and raises the overall price of rental units. It is often times extremely hard to find anything to rent (including mobile homes) for less than \$500 per month. It is good for the entire community when there is a wider range of quality affordable housing opportunities.
4. It would not be my impression that Dillon or the Dillon area would be identified as a "hard to develop or a distressed area".
5. The proposed project is within two blocks of an area on the easterly side of Dillon that has a large number of substandard homes and older mobile homes. Many of the housing units in this area are rental units.
6. The proposed Deer Park Apartments are located approximately 4 to 5 blocks from the Snow Crest Apartments, another Montana Board of Housing tax credit project. The proposed Apartments are approximately the same distance from the Beaverhead Villa Apartments, an older HUD project.

7. In my opinion the location is very good for grocery shopping with a pharmacy across the street, dental and optometrists one block away, and the elementary schools and the high school are within walking distance. The hospital and medical offices are located some distance away on the south side of Dillon.

Hopefully, these comments are useful in your review of the Deer Park Apartments project.

Sincerely,



Rick Hartz
Beaverhead County Planner

RH:pto

c. File



1 March 2012

Reader's Alley [submitted electronically]
Independent Record
P.O. Box 4249
Helena, MT 59604

RECEIVED

MAR 05 2012

DOC Housing

Dear Editor:

As Montana's sole statewide nonprofit working to document and save Montana's signature historic places, the Montana Preservation Alliance applauds Communities for Veterans' proposed "Freedom's Path" 40-unit housing project for homeless veterans at the Veterans Administration (VA) at Fort Harrison (February 14, 2012 article).

With tax credit funding from the Montana Board of Housing, this project will refurbish eleven endangered Fort Harrison buildings to provide veterans with sun-filled, homey apartments on the military post which was "in all particulars... one of the finest & most complete in the country" according to an 1894 *Helena Independent* story.

Montana has the second highest per capita population of veterans in the U.S. However, 16.2% of the state's homeless population are veterans according to a 2010 HUD/VA report to Congress. Communities for Veterans have an enviable national track record in historic preservation projects that serve those most in need.

We urge the Montana Board of Housing to approve the Communities for Veterans' tax credit proposal to rehabilitate these endangered buildings at Fort Harrison; it will surely be a win-win outcome for all: eleven handsome buildings will be rehabilitated by skilled craftspeople and repurposed for Montana's at-risk veterans.

Sincerely,

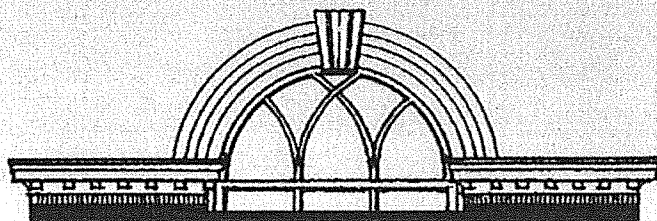
A handwritten signature in cursive script, appearing to read "Chere Jiusto".

Chere Jiusto
Executive Director

cc: The Honorable Max Baucus
Senator Christine Kaufman
Representative Mike Menahan
Montana Board of Housing ✓
P. Brown/Montana SHPO
The Honorable Denny Rehberg
The Honorable Jon Tester

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HELENA, MT 59601
406.457-2822
www.preservemontana.org
info@preservemontana.org

Encl.: "Preserve Montana", MPA Winter 2012 newsletter, p. 1



PRESERVE MONTANA

THE NEWSLETTER OF THE MONTANA PRESERVATION ALLIANCE

WINTER
2012

PAGE 2

Note from the Director
Western Clay Update

PAGE 3

Preservation in Progress
New Grant News

PAGE 4

Mark Your Calendar

Fort Harrison May Get Reprieve

Developer Seeks to Rehab Historic Fort Buildings for Homeless Veterans' Housing

Could a win-win situation be taking form for eleven endangered buildings at Helena's Fort Harrison? A Florida-based consortium, Communities for Veterans, plans to rehabilitate the 1890s and 1900s buildings for homeless veterans' housing. To make the project pencil out, Communities for Veterans has applied for low-income housing tax credits and plans to apply for federal historic preservation tax credits.

Several years ago, sixteen duplex units were slated for possible demolition after the Veterans' Administration (VA) deemed them too costly to rehabilitate and re-use. Happily, the VA opted first to seek an "enhanced use lease" option for the buildings and Communities for Veterans stepped forward in response to their Request for Proposals.

Should the project be successful, the Fort Harrison buildings will provide veterans with unique and charming apartments in the former Officers' Quarters duplexes. An 1894 newspaper article described the structures, "... All the workmanship is the best of their [kind] and the same can be said in regard to the construction of the various buildings ... The stone used is from Great Falls, Ulm and Billings ... the [millwork] finish is hardwood and California redwood, the floors to be laid with quarter sawed [sic] Georgia pine... when the post is finished... [it will] be in all particulars one of the finest and most complete in the country."

Describing their developing "Freedom's Path" veterans' housing projects in Northport, NY; Chillicothe, OH and Augusta, GA, Communities for Veterans spokesperson Craig Taylor-- himself a Vietnam War-era veteran--expressed his admiration for Montana's high per capita veteran population, the second highest in the US. He also conveyed Communities for Veterans' determination to do something significant for the veterans who account

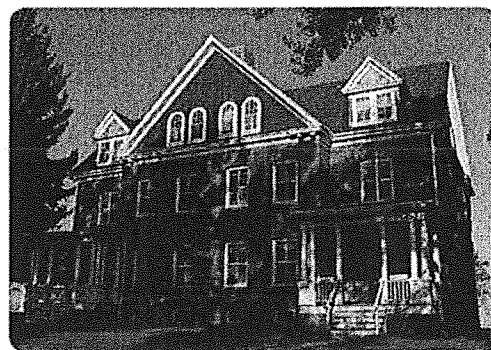


Photo courtesy Kennon Baird.

Communities for Veterans plans to rehabilitate eleven endangered buildings at Helena's Fort Harrison for homeless veterans' housing.

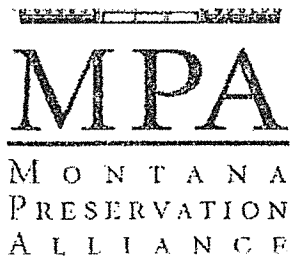
for 16.2% of Montana's total homeless population according to a 2010 HUD/VA report to Congress.

Pete Brown of the Montana State Historic Preservation Office described his agency's outlook as "... cautiously optimistic that Communities for Veterans will be successful in their effort to gain funding to rehabilitate eleven of the buildings. In preservation we rarely see endangered buildings saved without some heavy lifting on the part of a committed property owner. The low-income housing credits combined with federal rehabilitation credits would lighten the load."

Craig Taylor believes Communities for Veterans' \$5.3 million tax credit proposal to the Montana Board of Housing will stand in good stead as "we are uniquely experienced to do this, we have the guts, competency and commitment; and with more vets returning from tours in Iraq and Afghanistan the system needs to be prepared."

MPA earnestly hopes that the proposed "Freedom's Path" project will receive the rehabilitation funding it, and Montana's at-risk veterans, so richly deserve.

Get more detailed information at www.PreserveMontana.org



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The Honorable Jon Tester

120 REEDER'S ALLEY
HELENA, MT 59601
(406) 557-2822

www.preservemontana.org
info@preservemontana.org

Encl.: "Preserve Montana", MPA Winter 2012 newsletter, p. 1



PRESERVE MONTANA

THE NEWSLETTER OF THE MONTANA PRESERVATION ALLIANCE

WINTER
2012

PAGE 2

Note from the Director
Western Clay Update

PAGE 3

Preservation in Progress
New Grant News

PAGE 4

Mark Your Calendar

Fort Harrison May Get Reprieve

Developer Seeks to Rehab Historic Fort Buildings for Homeless Veterans' Housing

Could a win-win situation be taking form for eleven endangered buildings at Helena's Fort Harrison? A Florida-based consortium, Communities for Veterans, plans to rehabilitate the 1890s and 1900s buildings for homeless veterans' housing. To make the project pencil out, Communities for Veterans has applied for low-income housing tax credits and plans to apply for federal historic preservation tax credits.

Several years ago, sixteen duplex units were slated for possible demolition after the Veterans' Administration (VA) deemed them too costly to rehabilitate and re-use. Happily, the VA opted first to seek an "enhanced use lease" option for the buildings and Communities for Veterans stepped forward in response to their Request for Proposals.

Should the project be successful, the Fort Harrison buildings will provide veterans with unique and charming apartments in the former Officers' Quarters duplexes. An 1894 newspaper article described the structures, "... All the workmanship is the best of their [kind] and the same can be said in regard to the construction of the various buildings ... The stone used is from Great Falls, Ulm and Billings ... the [millwork] finish is hardwood and California redwood, the floors to be laid with quarter sawed [sic] Georgia pine...when the post is finished...[it will] be in all particulars one of the finest and most complete in the country."

Describing their developing "Freedom's Path" veterans' housing projects in Northport, NY; Chillicothe, OH and Augusta, GA, Communities for Veterans spokesperson Craig Taylor-- himself a Vietnam War-era veteran--expressed his admiration for Montana's high per capita veteran population, the second highest in the US. He also conveyed Communities for Veterans' determination to do something significant for the veterans who account

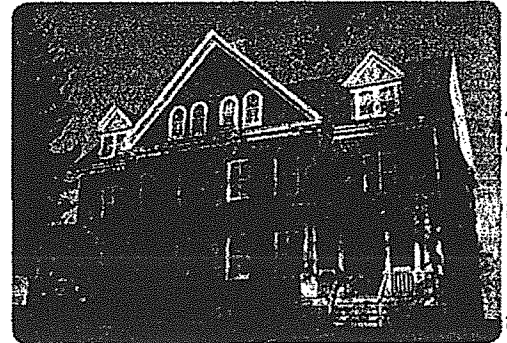


Photo courtesy Kemron Baird.

Communities for Veterans plans to rehabilitate eleven endangered buildings at Helena's Fort Harrison for homeless veterans' housing.

for 16.2% of Montana's total homeless population according to a 2010 HUD/VA report to Congress.

Pete Brown of the Montana State Historic Preservation Office described his agency's outlook as "... cautiously optimistic that Communities for Veterans will be successful in their effort to gain funding to rehabilitate eleven of the buildings. In preservation we rarely see endangered buildings saved without some heavy lifting on the part of a committed property owner. The low-income housing credits combined with federal rehabilitation credits would lighten the load."

Craig Taylor believes Communities for Veterans' \$5.3 million tax credit proposal to the Montana Board of Housing will stand in good stead as "we are uniquely experienced to do this, we have the guts, competency and commitment; and with more vets returning from tours in Iraq and Afghanistan the system needs to be prepared."

MPA earnestly hopes that the proposed "Freedom's Path" project will receive the rehabilitation funding it, and Montana's at-risk veterans, so richly deserve.

Get more detailed information at www.PreserveMontana.org

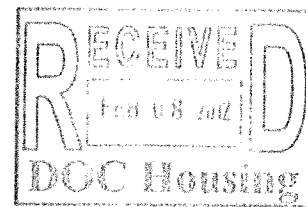
Soroptimist International of Glasgow
PO Box 961
Glasgow, Montana 59230



SOROPTIMIST

Best for Women

*Improving the lives
of women and girls,
in local communities
and throughout
the world*



February 6, 2012

Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

To Whom It May Concern:

I am writing in support of the Soroptimist International of Great Falls and their Soroptimist Village receiving funds for improvements to their facility. Several years ago the SI of Great Falls had a dream to build a facility that would provide housing for the elderly. With fundraising, grants and loans, they made this possible. This was one of the first facilities in Great Falls to provide housing for the elderly. The Soroptimist Village has been meeting a critical housing need in the Great Falls area for elderly and disabled citizens for many decades. As with all facilities, long-standing use means the need for infrastructure improvements. These improvements, including a new roof, windows, insulation and HVAC system, in addition to repaving the parking lot, will provide a better standard of living for the residents. The improvements will also reduce the operational cost of the building.

As the cost of living increases, along with the cost of maintenance and operation, the Soroptimist Village is tasked with doing more with fewer financial resources. The members of SI Great Falls have worked extremely hard for many years to maintain their facility and complete renovations and remodels as funds allowed. At this time, the needs exceed the funds, so your support is greatly needed and would be greatly appreciated.

Thank you for your consideration.

Sincerely,

Jennifer L. Reinhardt
President of Soroptimist International of Glasgow



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

REPRESENTATIVE JEAN PRICE
HOUSE DISTRICT 21

HELENA ADDRESS:
CAPITOL BUILDING
PO BOX 200400
HELENA, MONTANA 59620-0400
PHONE: (406) 444-4800

HOME ADDRESS:
422 15TH STREET SOUTH
GREAT FALLS, MT 59405
PHONE: (406) 452-9315

RECEIVED

MAR 22 2012

DOC Housing

COMMITTEES:
STATE ADMINISTRATION
EDUCATION
FISH, WILDLIFE, AND PARKS

March 19, 2012

MT Board of Housing
Attn: Mary Blair
PO Box 200528
Helena, MT 59620-0528

Dear Mary & MT Board of Housing:

Please consider this letter of support for Low Income Housing Tax Credit funds to assist with the renovation of the three buildings that are the Soroptomist Village at 2400 13th Avenue South in Great Falls.

Soroptomist Village was completed in 1968 and has been exceptionally well maintained for all these years. It is now time to make some significant upgrades and improvements to the heating system, windows, roof, plumbing and electrical systems. Other needs for the residents' well being is removing the heavy and hard to open outside doors and updating the elevator.

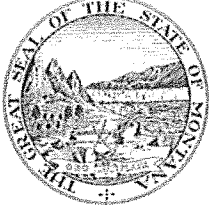
I am on the City of Great Falls Design Review Board, and I realize how important it is to maintain existing facilities so they are an asset to our city. In the past this facility has been well maintained inside and outside. With help from the MT Board of Housing through these tax credit funds Soroptomist Village will be enjoyed many more years by our older and disabled citizens.

I heartily endorse this request and I urge your support of this project. If you have any questions, don't hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Rep. Jean Price".

Rep. Jean Price
HD 21, Great Falls



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

REPRESENTATIVE TRUDI SCHMIDT
HOUSE DISTRICT 22

HELENA ADDRESS:
CAPITOL BUILDING
PO BOX 200400
HELENA, MONTANA 59620-0400
PHONE: (406) 444-4800

HOME ADDRESS:
4029 6TH AVE. SO.
GREAT FALLS, MONTANA 59405
PHONE: (406) 452-7215

RECEIVED

MAR 21 2012

DOC Housing

COMMITTEES:
APPROPRIATIONS
JOINT APPROPRIATIONS
SUBCOMMITTEE
HEALTH AND HUMAN SERVICES

March 20, 2012

Montana Board of Housing
Attention: Mary Blair
PO Box 200528
Helena, MT 59620-0528

Dear Ms. Blair & MT Board of Housing:

I write this letter of support on behalf of Soroptomist Village and its residents. They realize how fortunate they are to have a good manager who keeps this place in meticulous condition and at the same time, extremely well maintained. It is rare to have a vacancy which attests to its reputation in this community. It has been a safe place for the residents as well as being convenient to medical facilities and shopping.

I have had first hand experience with this facility as my mother lived there for 13 years. During the entire time she was there, I saw the work the manager did to keep this place in the best condition inside and outside. He also, and then his wife, responded to the needs of these residents almost immediately, and they felt safe knowing they were in good hands.

The time has come for capital improvements to this facility. I am asking for your support of Low Income Housing Tax Credit funds in order to renovate and rehabilitate Soroptomist Village.

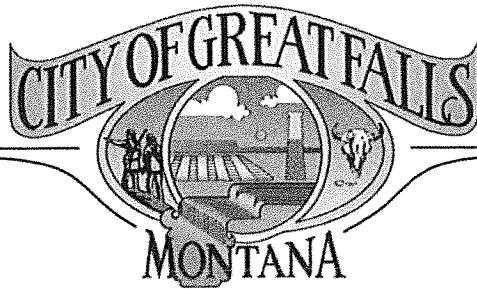
I support this project whole-heartedly. Please approve their request so they can continue to provide a safe, affordable housing facility to the older and disabled citizens of Great Falls.

Sincerely,

A handwritten signature in cursive script that reads "Trudi Schmidt".

Rep. Trudi Schmidt
HD 22, Great Falls

P.O. Box 5021, 59403-5021



March 23, 2012

Mary S. Bair
Multifamily Program Manager
Montana Board of Housing
P.O. Box 20058
Helena, MT 59620

RE: Soroptimist Village LIHTC Application

Dear Ms. Bair:

In response to your request for additional information regarding the above-referenced application, attached please find the City of Great Falls response to your questions. Many of these questions appear to be geared toward new construction, and as such I'm uncertain how helpful my answers may be in helping the Montana Housing Board in its decision making process. However, as I stated in my letter to the Housing Board previously, the City of Great Falls strongly encourages the Housing Board to approve the Soroptimist Village application. The housing opportunities provided by this group is sorely needed in this community and keeping these needed, and appreciated, housing units available and in a habitable/desirable condition is paramount to meeting the housing need in this community.

Sincerely,

A handwritten signature in black ink, appearing to read "Wendy Thomas".

Wendy Thomas, AICP
Deputy Director, Planning & Community Development

RECEIVED
MAR 26 2012
DOC Housing

Soroptimist Village
Great Falls, MT
LIHTC

Soroptimist Village Housing Board Questions:

1. Do the rents address current housing needs for low income residents in your area?

The rental rates charged at Soroptimist Village are compliant with the rental rates specified by HUD for Fair Market Rent. Our over 65 population is the second fastest growing segment of the City's population, with the 50-55 population being our fastest growing segment. These numbers clearly indicate the need for sustaining and maintaining the affordable senior housing stock within Great Falls.

2. Is the size of the project appropriate for the community?

I believe that this question is more relevant to projects seeking LIHTCs for the construction of new buildings rather than the rehab of existing facilities, as Soroptimist is requesting; however, the development is of a scale and height that is appropriate to the surrounding properties.

3. Is this type of housing appropriate for area housing market concerns?

The affordable senior housing Soroptimist is seeking to reconstruct is appropriate for the area housing market. Population projects for the City of Great Falls project an increase in the number and percentage of residents over 62 years of age. Currently 16.7% of the population is over 65. One in ten of this population lives in poverty.

4. Is the project located in a community identified hard to develop or distressed area?

Soroptimist Village is not located in a community that has been identified as hard to develop or distressed.

5. Is the project located in an area with a high percentage of substandard units?

Soroptimist Village is located in a part of Great Falls that has a high number of privately held market rate units that are quickly approaching the time when they will need to be updated and upgraded in order to remain marketable units; however, the rental units in the area surrounding Soroptimist Village are not substandard units.

6. Is the project located close to other low income projects of similar type?

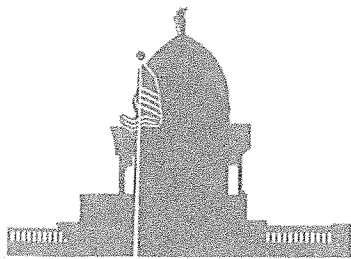
The project is located close to other low income housing units including a low income elderly housing development with 47 units located at 1521 23rd Street S. Other low income housing units are located at:

- 11th Avenue and 33rd Street S (20 units)
- 16th Avenue and 27th Street S (30 units)
- 1501 23rd Street S (8 units)

Soroptimist Village
Great Falls, MT
LIHTC

7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

The project is in an ideal location to allow for close easy pedestrian access to medical care (.18 miles to a major medical facility), a grocery store (.3 miles) with a pharmacy, and a park (.14 miles). It would be difficult to find a better location for housing, especially elderly housing, within the City of Great Falls.



CASCADE COUNTY

BOARD OF COMMISSIONERS
325 2nd Avenue North
Great Falls, MT 59401
Tel. (406) 454-6810
Fax: (406) 454-6945
commission@co.cascade.mt.us
www.co.cascade.mt.us

March 16, 2012

RECEIVED

MAR 27 2012

DOC Housing

Montana Board of Housing
Mary Blair
P.O. Box 200528
Helena, MT 59620-0585

Re: Low Income Housing Tax Credit

Dear Ms. Blair,


The Cascade County Commission supports the Soroptimist Village apartment complex's submission for funding from the Low Income Housing Tax Credit funds to make repairs on three buildings. Repairs will include roofs and windows as well as updating the original heating, cooling, plumbing, electrical systems, and the elevator. Additionally, the parking lot is in need of repaving and the outer doors need to be replaced.

Since its completion in 1968 the buildings have been very well maintained and remain in a structurally sound condition. This restoration project seeks to modernize their facilities so that Soroptimist Village can remain an affordable, convenient, and safe environment to live. We hope you will look favorably upon these projects.


Again, thank you for your consideration of this request, please call if you have any questions of the Commissioners.

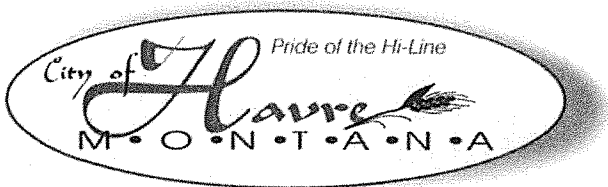
Sincerely,

Board of County Commissioners
Cascade County, Montana


Jane Weber
Chairman


Joe Briggs
Commissioner


Bill Salina
Commissioner



March 6, 2012

RECEIVED

MAR 07 2012

DOC Housing

Tim Solomon
Mayor
406.265.6710

Margaret Hencz
City Judge
406.265.8575

David Peterson
Public Works Director
406.265.4941

Lowell Swenson
Finance Director/Clerk
406.265.6719

Chris Inman
Parks & Recreation
Director
406.265.5781

Mary Bair
Multi-Family Program Manager
Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

Dear Mary:

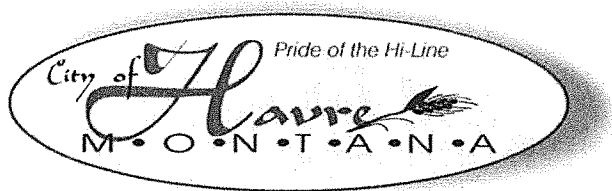
The City of Havre supports the application Montana Board of Housing Hillview Acquisition Rehabilitation project as well as the state real estate tax reduction that Hillview will qualify for because of tax credits and income targeting. Additionally, it is our understanding that local SIDs and municipal services will not be affected in the way of revenue reduction due to the tax relief.

Furthermore, our area is in need of affordable housing which meets habitability standards for low income families. Preserving \$180,000 annually for rental assistance, thus improving the quality of life for many residents in our community, is definitely a long-term positive result. It's time for our community to request this 9% competitive tax credit allocation that hasn't been apportioned (with one exception) in our region since 1989.

Again, the City of Havre endorses this application and tax credit allocation for the Hillview Acquisition Rehabilitation project and believes in the long-term benefits to our region and community. If you need further information or have any questions, please call me at 265-6719.

Sincerely,

Tim Solomon, Mayor
City of Havre



Tim Solomon
Mayor
406.265.6710

March 6, 2012

Margaret Hencz
City Judge
406.265.8575

Montana Department of Commerce
Montana Board of Housing
Attention: Mary Bair,
Multifamily Program Manager
PO Box 200528
Helena MT 59620-0528

David Peterson
Public Works Director
406.265.4941

RE: Comments Request Hillview Apartments

Dear Mary:

Lowell Swenson
Finance Director/Clerk
406.265.6719

In response to your request of 2/15/2012 concerning support for the Hillview Apartment complex Low Income Housing Tax Credit Program application, I have answered the questions as follows:

Chris Inman
Parks & Recreation
Director
406.265.5781

- (1) In my opinion the rents are generally affordable for area low-income residents.
- (2) The size of the project is very appropriate for our community.
- (3) This type of housing project is not only appropriate for this area; it helps to fill the gap in the housing market for affordable non-substandard housing for low income families. In fact, the 9% tax credit allocation would further benefit the low income population for the long term.
- (4) Havre and the surrounding region have certain areas that could be designated as both distressed and hard to develop.
- (5) It is located in the proximity of area(s) with an above average number of substandard housing units.
- (6) No
- (7) Yes—all services mentioned are located within a reasonable number of city blocks.

If you have further questions or need more input from our organization concerning this project, please feel free to contact me at 265-6719.

Tim Solomon

**APPLICATION
WITHDRAWN**



Planning Department
201 1st Avenue East
Kalispell, MT 59901
Phone: (406) 758-7940
Fax: (406) 758-7739
www.kalispell.com/planning

March 19, 2012

Mary S. Blair
Multi-family Program Manager
Montana Board of Housing
P.O. Box 200528
Helena, MT 59620-0528

RECEIVED
MAR 22 2012
DOC Housing

RE: Request for Comments for Depot Place and Courtyard Apartments – Kalispell MT

Dear Ms. Blair:

Thank you for the opportunity to comment on the two housing projects located in the City of Kalispell who are applying for tax credit assistance. You asked seven specific questions and I will try to address each below but first I would like to make a general statement.

Kalispell has gone through a significant transition in the past 4 years from a leader in new housing construction and ever spiraling-housing costs in Montana to a community that found itself at ground zero in Montana as the effects of the Great Recession continue to unfold. The median price of a house peaked at \$235,000 and has since dropped to \$175,000. Our housing industry has not been only devastated but disassembled. New construction peaked at 400 units in 2007 and this past year we saw only 40 built in the city. Our supply of new homes for sale has been diluted by foreclosures. With this came the spiraling decline in housing prices in Kalispell which would have been well received had it not been followed by the disappearance of available home mortgage financing options. As people have lost their homes and home ownership continues to slip away for more families, the rental market has dramatically heated up as people move back into the rental market and compete for a declining number of options. In summary, Kalispell has always been a difficult place for people at the lower end of the rental market whose ability to compete is limited by their income and lack of affordable options.

1. Do the rents address current housing needs for low income residents in your area?

Courtyard apartments: Very competitive prices.

Depot Place: Prices are also very competitive especially when factoring in that they include heat and electricity

2. Is the size of the project appropriate for the community?

Courtyard Apartments has been in existence for many years and continues to serve this area. Depot Place as proposed would be an ideal fit in terms of size and location.

3. Is this type of housing appropriate for the community?

Courtyard Apartments fills a need for low income families and was intended for homeless individuals as well. It has filled an important niche.

Depot Place will serve to fill the gap of caring for our ever-aging population, especially those caught in spiraling housing costs.

4. Is the project located in a community identified as hard to develop or distressed area?

We are located in an identified economically distressed area according to the Federal Highway Administration. We are currently at 11.2% unemployment as of January, 2012.

5. Is the project located in an area with a high percentage of substandard units?

Courtyard Apartments is located in a neighborhood that is somewhat isolated from other residential areas. To the south approximately ½ mile lies an older residential neighborhood however, the housing supply is stable.

Depot Place is located in the core area of Kalispell at the edge of the commercial downtown. Immediately to the south lies a very stable older residential neighborhood.

6. Is the project location close to other low income projects of similar type?

Courtyard Apartments is not located near any other similar projects.

Depot Place, being located in the core area of our community is situated approximately 8 blocks from a similar project.

7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

Courtyard Apartments: The site is 1/3 mile from a major supermarket, two blocks from a major thrift store (Salvation Army) and 1 ¼ miles from a regional medical campus including hospital and a full complement of physician services. Additionally the site is ½ mile from the Kalispell downtown core and ½ mile from the closest fire station and ambulance service. The high school is ½ mile away and the closest grade school is ½ mile away.

Depot Place: The site is within one block of two major supermarkets and three blocks from the Kalispell downtown commercial center. The site is 6 blocks from the closest fire station and ambulance service and ¾ mile from a regional medical campus including hospital and full complement of physician services.

If you have questions, do not hesitate to contact this office at you earliest convenience.

Sincerely:



Tom Jentz
Kalispell Planning Director

Guariglia, Kellie

From: Bair, Mary
Sent: Tuesday, March 20, 2012 8:08 AM
To: Guariglia, Kellie
Subject: FW: agency referral re: "Depot Place" & "Courtyards"
Attachments: MBOH Referral Feb 15 2012.pdf

From: BJ Grieve [<mailto:bgrieve@flathead.mt.gov>]
Sent: Tuesday, March 20, 2012 7:57 AM
To: Bair, Mary
Cc: Dale Lauman
Subject: agency referral re: "Depot Place" & "Courtyards"

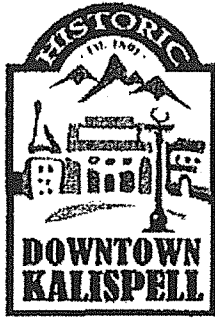
Good morning Ms. Bair:

Flathead County is in receipt of your agency referral dated February 15, 2012 regarding two Low Income Housing Tax Credit Program projects in Flathead County (see attached). Your referral letter was forwarded to our office on March 19, 2012 and we can provide the following comments:

- "Depot Place" is located at 219 Center Street and "Courtyard Apartments" is located at 1842 Airport Road. Both of the proposed projects are located within the City of Kalispell. Therefore Flathead County has no administrative or regulatory authority over either project.
- The Flathead County Growth Policy supports affordable housing for young families (Goal 15) as well as safe housing that is accessible and affordable for all sectors of the population (Goal 16). Policies that accompany these goals make clear that Flathead County will encourage projects that seek to achieve these goals. As such, the proposed projects within the City of Kalispell are supported by the Flathead County Growth Policy for the benefit of all Flathead County residents.

Thank you for the opportunity to provide comments on the proposed developments.

BJ Grieve, AICP®, CFM®
Planning Director
Flathead County Planning & Zoning
1035 First Avenue West
Kalispell, MT 59901-5607
Phone: 406.751.8200
Fax: 406.751.8210



Kalispell Downtown Association

February 6, 2012

Sparrow Group
619 SW Higgins Ave., Suite E
Missoula, Mt. 59803

To whom it may concern,

Please consider this a letter of support for the Depot Place project in Historic Downtown Kalispell, Montana. This affordable senior living project is within walking distance of numerous shops, restaurants, services and jobs. The project is located just blocks away from museums, parks and walking/biking trails and would represent a significant contribution to the senior housing in our area.

Our community is dedicated to addressing the issues of affordable housing and we recognize that affordable senior living apartments would improve the living conditions for many citizens of Kalispell. This project will have a positive economic impact by creating local jobs during the building phase and will create a few permanent jobs upon completion. Housing growth and affordable housing is a key quality of life factor for the economic growth of Kalispell. Further, it is our belief that this development will enhance the vitality of downtown Kalispell by providing additional residents who will choose to shop, eat and play in downtown Kalispell.

We applaud The Sparrow Group for proposing a project that takes advantage of a prime location and enhances the neighborhood.

Sincerely,

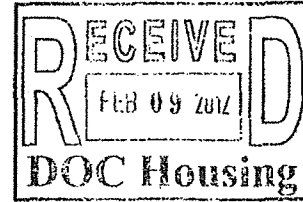
Jim Ness
Chairperson

Pam Carbonari, Event Coordinator * P. O. Box 1997, Kalispell, Mt. 59903 * (406) 253-6923 *
pam@downtownkalispell.com

2/7/12

Marshall Noice
Noice Studio and Gallery
127 Main Street
Kalspell, MT 59901

Montana Board of Housing
PO Box 200528
Helena MT 59620-0528



RE: Depot Place
Kalspell, MT

I am writing you about the proposed Depot Place project in Kalspell. After talking with the developer, we are excited about this project and offer it our full support.

Noice Studio & Gallery has been located a part of downtown Kalspell for xx years. Bringing housing to the downtown has been something myself and my fellow business owners have been supporters of for a long time.

The City of Kalspell has been taking steps to make this a reality. The recent Brownsfield Grant/Core Revitalization Area and the expansions of the Westside Urban Renawal District are examples of the time and effort the city is putting into this area.

Having the project located on the old Manion Property will be a benefit to all who live there. Nearly all services are only walking distance away. The seniors will have easy access to outdoor concerts at Depot Park and the exhibits at Kalspell's three Museums.

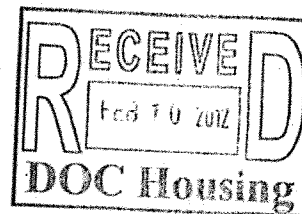
This project is coming to Kalspell at the right time, and it is exciting to see how well it fits into the momentum the city has generated in bringing interest into revitalizing downtown.

Sincerely,

Marshall Noice



February 9, 2012



Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

RE: Depot Place
Kalispell, MT

Dear Montana Board of Housing:

I am writing you about the proposed Depot Place project in Kalispell. After learning from the developer what the project entails and where it is to be located, we are excited about this project. We offer our full support to the establishment of Depot Place. Montana West Economic Development (MWED) has been a trusted business advocate and resource in Northwest Montana for 14 years. Our mission is to foster jobs, promote and market the area while preserving the quality of life.

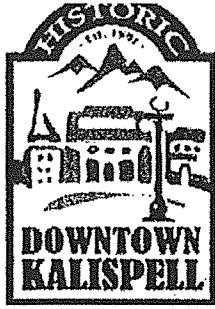
In keeping with our mission, MWED has been working with partners to purchase and develop a rail served industrial park. The closing on a 40 acre site for the purpose of developing this park is imminent. By offering the downtown Kalispell rail users a better location to operate the rail line running through the Kalispell core can be removed and eventually converted to an urban trail providing connectivity from all points of the city.

Depot Place, being located in the urban core and adjacent to be converted rail line will be a great benefactor of the work we have put into this project. Additionally, the residents will enjoy easy access to downtown, parks, shopping, grocery, and pharmacy; all within walking distance. This project is coming to Kalispell at the right time, and it is exciting to see how well it fits into the momentum the city has generated in bringing interest into revitalizing downtown.

Sincerely,

A handwritten signature in cursive script that reads "Kellie Danielson".

Kellie Danielson
President/CEO
Montana West Economic Development



KALISPELL BUSINESS IMPROVEMENT DISTRICT

February 15, 2012

Sparrow Group
619 SW Higgins Ave., Suite E
Missoula, Mt. 59803

To whom it may concern,

We are pleased to support the Depot Place project in Historic Downtown Kalispell, Montana. This affordable senior living project is within walking distance of numerous shops, restaurants, services and jobs. The project is located just blocks away from museums, parks and walking/biking trails. Recognizing that walking is beneficial to people's health, to community vitality and for the environment we believe this project would be an asset to our downtown community.

The Depot Place project would represent a significant contribution to the senior housing in our area. The first baby boomers began turning 60 in 2006, yet most communities are unprepared to handle the increased demands that this population shift will create. This project will help in meeting our senior housing needs as the demand increases.

The issue of affordable housing is of concern to Kalispell and we recognize that the proposed senior apartments would improve the living conditions for many of our citizens. Affordable housing is a key quality of life factor for the economic growth of Kalispell.

Further, it is our belief that this development will enhance the vitality of downtown Kalispell. This project will have a positive economic impact by creating local jobs during the building phase and will create a few permanent jobs upon completion.

We applaud The Sparrow Group for proposing a project that takes advantage of a prime location and enhances the neighborhood.

Sincerely,

Janet Clark
Chairperson

Guariglia, Kellie

From: Bair, Mary
Sent: Tuesday, March 20, 2012 8:08 AM
To: Guariglia, Kellie
Subject: FW: agency referral re: "Depot Place" & "Courtyards"
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To: Bair, Mary
Cc: Dale Lauman
Subject: agency referral re: "Depot Place" & "Courtyards"

Good morning Ms. Bair:

Flathead County is in receipt of your agency referral dated February 15, 2012 regarding two Low Income Housing Tax Credit Program projects in Flathead County (see attached). Your referral letter was forwarded to our office on March 19, 2012 and we can provide the following comments:

- "Depot Place" is located at 219 Center Street and "Courtyard Apartments" is located at 1842 Airport Road. Both of the proposed projects are located within the City of Kalispell. Therefore Flathead County has no administrative or regulatory authority over either project.
- The Flathead County Growth Policy supports affordable housing for young families (Goal 15) as well as safe housing that is accessible and affordable for all sectors of the population (Goal 16). Policies that accompany these goals make clear that Flathead County will encourage projects that seek to achieve these goals. As such, the proposed projects within the City of Kalispell are supported by the Flathead County Growth Policy for the benefit of all Flathead County residents.

Thank you for the opportunity to provide comments on the proposed developments.

BJ Grieve, AICP®, CFM®
Planning Director
Flathead County Planning & Zoning
1035 First Avenue West
Kalispell, MT 59901-5607
Phone: 406.751.8200
Fax: 406.751.8210



BCC 2012-035
February 21, 2012

PHONE: (406) 258-4141
FAX: (406) 721-4141

Mary S. Bair, Multifamily Program Officer
Montana Board of Housing
Department of Commerce
P.O. Box 200528
Helena, MT 59620-0528

RECEIVED

FEB 28 2012

DOC Housing

RE: COMMENTS ON ASPEN PLACE APARTMENTS AND HAVEN HOMES

Dear Ms. Bair:

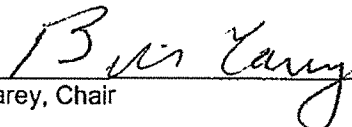
Thank you for the opportunity to comment on the two Missoula projects applying for Low Income Housing Tax Credits this spring. The typical vacancy rate for a robust rental market is between 5 and 6 percent. When the vacancy rate is lower than that, it means a tight rental market, and therefore higher rents and less availability of affordable housing. Missoula's rental vacancy is just under 3%, a very tight market. For affordable housing, such as tax credit projects and housing with vouchers, the rate is 0.5% for tax credit projects and 0% for subsidized housing, with waiting lists up to two years long.

ASPEN PLACE APARTMENTS		HAVEN HOMES	
1	The rents proposed for these two projects will address the needs for low-income residents. The rents are significantly below market rate for the area and will provide much-needed affordable units.		
2	Aspen Place Apartments will have 36 new units.	Haven Homes provides four three-bedroom homes, which are important for serving families in the Missoula area.	
Since many new developments only have one- or two-bedroom units, there will surely be demand for four larger units. With a 0% vacancy rate and waiting lists with over 2,000 families, the 36 apartments and 4 single-family homes will be filled quickly.			
3	Missoula's two major housing market concerns are the availability of any decent, safe and sanitary rentals for households under 60% of area median income, and the availability of affordable rentals for households of all income levels. Fifty-one percent of all Missoula renters experience a cost burden by paying more than 30% of their income towards rent. These projects will help address those concerns.		
4	The Aspen Place Apartments are built close to the north Reserve Street area.	Haven Homes are along 39 th Street, a major urban corridor.	
Neither is located in a particularly hard-to-develop or distressed area.			
5	Aspen Place is not located in an area with substandard units. It is surrounded by similar, newer apartments.	The Haven Homes project is in the center of a primarily residential area, although near some commercial development and along a major connector road. Residences in the area tend to have been built in the '50s through '70s, and many are in some need of rehabilitation.	

<p>6 Aspen Place is located adjacent to the Union Place I and Union Place II tax credit projects, and are expected to be similar in design to those units.</p>	<p>Haven Homes is not near similar tax credit projects, although there has been construction of multi-family apartment complexes along the 39th Street corridor. The design of Haven Homes is single-family homes, more in keeping with the neighborhood.</p>
<p>7 Aspen Place is adjacent to a shopping center with a supermarket and a medical care center, and is on the City's bus route. There is a school within one mile.</p>	<p>Haven Homes is very close to a mini-mall with grocery store, gas station, restaurants and other facilities. It is on the City's bus route and near schools.</p>

Missoula County welcomes the addition of additional new affordable rental projects. Both will help address the chronic lack of affordable rental housing in Missoula. We hope you will consider these applications for Low Income Housing Tax Credits.

Sincerely,
BOARD OF COUNTY COMMISSIONERS


Bill Carey, Chair


Michele Landquist, Commissioner


Jean Curtiss, Commissioner

BCC/ppr
cc: Cindy Wulfekuhle, Grants Administrator



JOHN ENGEN

OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297

February 21, 2012

Mary S. Blair
Multifamily Program Manager
Montana Board of Housing
P.O. Box 200528
Helena, Montana 59620-0528

RECEIVED

FEB 23 2012

DOC Housing

Dear Ms. Blair:

Thank you for your recent letter seeking comment on the Aspen Place & Haven Homes projects in Missoula.

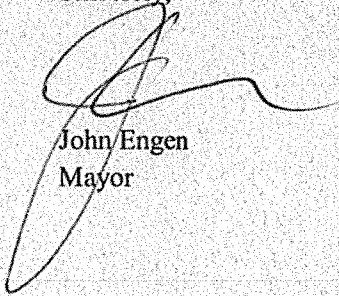
The following are responses to the specific questions you asked in your letter and are for both projects:

1. Yes.
2. Yes.
3. Yes.
4. No.
5. No.
6. Yes.
7. Yes.

There is a clear need in the community for decent, appropriate housing for low-income citizens of Missoula, including low-income seniors. And while neither project is happening in an area I would describe as "hard to develop" or "with a high percentage of substandard units," I will say that both locations are underused in the community and are located close to services. In other words, the locations are entirely appropriate to the projects.

Thank you for reaching out for additional comments. I continue to be in support of these important projects that will help house the citizens we serve. Please don't hesitate to contact me with additional questions or concerns.

Sincerely,


John Engen
Mayor



BCC 2012-035
February 21, 2012

PHONE: (406) 258-4877
FAX: (406) 721-4043

Mary S. Bair, Multifamily Program Officer
Montana Board of Housing
Department of Commerce
P.O. Box 200528
Helena, MT 59620-0528

RECEIVED

FEB 28 2012

DOC Housing

RE: COMMENTS ON ASPEN PLACE APARTMENTS AND HAVEN HOMES

Dear Ms. Bair:

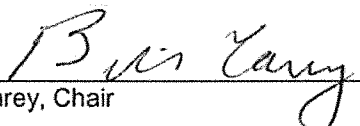
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Missoula County welcomes the addition of additional new affordable rental projects. Both will help address the chronic lack of affordable rental housing in Missoula. We hope you will consider these applications for Low Income Housing Tax Credits.

Sincerely,
BOARD OF COUNTY COMMISSIONERS


Bill Carey, Chair


Michele Landquist, Commissioner


Jean Curtiss, Commissioner

BCC/ppr
cc: Cindy Wulfekuhle, Grants Administrator



JOHN ENGEN

OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297

February 21, 2012

Mary S. Blair
Multifamily Program Manager
Montana Board of Housing
P.O. Box 200528
Helena, Montana 59620-0528

RECEIVED

FEB 23 2012

DOC Housing

Dear Ms. Blair:

Thank you for your recent letter seeking comment on the Aspen Place & Haven Homes projects in Missoula.

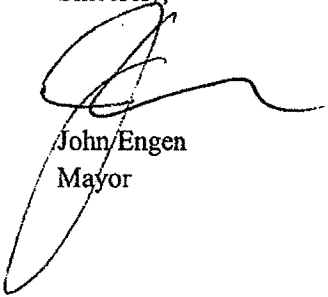
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Thank you for reaching out for additional comments. I continue to be in support of these important projects that will help house the citizens we serve. Please don't hesitate to contact me with additional questions or concerns.

Sincerely,



John Engen
Mayor

MONTANA
Department of Commerce

MONTANA BOARD OF HOUSING

P.O. Box 200528 • Helena, Montana 59620-0528 • www.housing.mt.gov
Phone: 406-841-2840 • 1-800-761-6264 • Fax: 406-841-2841 • TDD: 406-841-2702

RECEIVED

MAR 08 2012

DOC Housing

February 15, 2012

Harvy Hawbaker
City of Shelby
112 1st Street South
Shelby, MT 59474

RE: Request Comments for Sweet Grass Apartments

Dear Council Member Hawbaker:

The Montana Board of Housing (MBOH) administers the Low Income Housing Tax Credit Program in the State of Montana. Congress established the Low Income Housing Tax Credit with the provisions of the Tax Reform Act of 1986 to provide for retention, rehabilitation, and construction of rental housing for low income individuals and families.

The Montana Board of Housing has received an application for Sweet Grass Apartments in your area. Please see attached "Summary of Project Application" schedule(s) for the project's details.

We ask for your input because we are extremely interested in any comments you may have regarding the project(s). We realize you or your organization may have expressed support for this project previously, however we are required to request comments independently. Please answer the following questions specifically:

- yes 1. Do the rents address current housing needs for low income residents in your area?
- yes 2. Is the size of the project appropriate for the community?
- yes 3. Is this type of housing appropriate for area housing market concerns?
- yes 4. Is the project located in a community identified hard to develop or distressed area?
- 5. Is the project located in an area with a high percentage of substandard units?
- 6. Is the project location close to other low income projects of similar type?
- yes 7. Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?

If you cannot specifically answer any of the above questions please indicate so and provide any general comments you feel necessary.

The input from the local communities is critical to our review process. Any comments you or your staff may have would be extremely helpful. We are also requesting comments from other sources in the community.

We would appreciate a response by March 26, 2012 as the funding decisions will be made in April.

Sincerely,

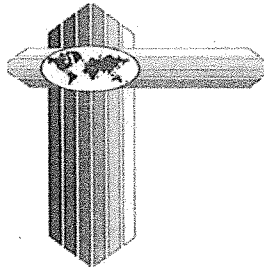


Mary S. Bair
Multifamily Program Manager
Montana Board of Housing

enc

CITY OF SHELBY

112 First Street South
Shelby, MT 59474
Telephone: (406) 434-5222
FAX: (406) 434-2039
www.shelbymt.com



Mayor: Larry J. Bonderud
Council: Cindy Doane, Eugene Haroldson,
Harvey Hawbaker, Lyle Kimmet,
Don Lee, John "Chip" Miller, Jr.
Animal Control: Mark Warila
Attorney: William E. Hunt, Jr.
Bldg Inspector/Planner: Jim Yeagley
Community Development: Lorette Carter
Finance Officer: Teri Ruff
Judge: Sherrie Murphy
Recreation Director: Cindy Florez
Superintendent: Bill Moritz

February 22, 2012

RECEIVED

FEB 23 2012

DOC Housing

Mary Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

RE: Comments for Sweet Grass Apartments

Dear Mary:

On behalf of the City of Shelby I am happy to respond to your specific questions.

1. The proposed Sweet Grass Apartments will have more amenities and be of superior quality to most market rate apartments in the area while asking rents that are significantly less.
2. The 12 units proposed will serve the communities current needs; however we feel that there will be an increasing need in the future.
3. The mix of 1, 2 and 3 bedroom units at 40%, 50% and 60% of Area Median Income will serve a broad tenant base in Shelby. The two six-plex design will fit in well with the surrounding land use and is very appropriate for the community.
4. The area has not been identified as hard to develop or distressed but despite attempts, there have been no new affordable rental properties developed for quite some time. Shelby has received just one Low Income Housing Tax Credit allocation in 1993.
5. There are not a high percentage of substandard units in the area; however there is a significant number (43%) of area renters paying more than 35% of their income for housing.
6. The proposed project is near a Rural Development rental housing property approximately 600' away.
7. The proposed development is very convenient to all services and is within walking distance to a large park and schools. It is near our health complex and within walking distance to our central city business districts.

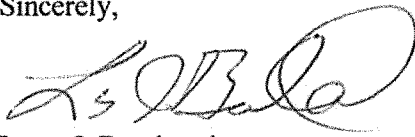
Montana Board of Housing
February 22, 2012
Page 2 of 2

Our community is in desperate need of all types of housing especially three bedroom units. Over 600 individuals currently commute to Shelby on a daily basis for work. Our community has a great need for safe, affordable housing.

We strongly encourage the Montana Board of Housing to favorably consider the Sweet Grass Apartments.

We look forward to working with the Montana Board of Housing on this and many other housing projects to address the housing needs of the City of Shelby.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. J. Bonderud', written in a cursive style.

Larry J. Bonderud
Mayor

LJB/tlp

cc: City Council

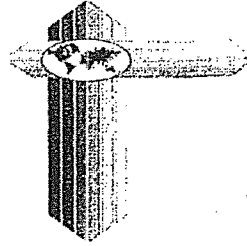
CITY OF SHELBY

112 First Street South
Shelby, MT 59474

Telephone: (406) 434-5222

FAX: (406) 434-2039

www.shelbymt.com



Mayor: Larry J. Bonderud
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Don Lee, John "Chip" Miller, Jr.
Attorney: William E. Hunt, Jr.
Bldg Inspector/Planner: Jim Yeagley
Finance Officer: Teri Ruff
Judge: Sherrie Murphy
Superintendent: Bill Moritz
Community Development: Lorette Carter

March 22, 2012

Nathan Richmond
BlueLine Development, Inc.
805 Evans Ave.
Missoula, MT 59801

Re: City of Shelby Energy Development

Dear Mr. Richmond,

As you may be aware, the City of Shelby and Toole County are poised for a tremendous increase in energy development. Phase II of Montana's largest wind project, the Rim Rock Wind Farm has begun construction with an additional 126 wind turbines in development. During construction, over 300 in work force are anticipated with additional permanent staffing required to maintain the sites.

At the same time, Montana State University's Energy Research Institute is conducting a multi-year study on carbon sequestration funded by the U.S. Department of Energy. A work force number is not available, but there is tremendous potential for long-term employment and private sector job creation.

The oil and gas industry has also shown incredible resurgence as new horizontal drilling and hydraulic fracturing technologies have unlocked the oil and gas potential in the Bakken Formation. This could potentially result in dramatic increases in exploration and production within our region and tremendous job growth for our community in the next few years.

All these factors weight heavily on city leadership. Housing is of critical concern. The proposed Sweet Grass Apartments will provide an invaluable resource as a first step in addressing the rental housing shortage within our community and we thank you for your commitment.

Sincerely,

Lorette Carter
City of Shelby

Cc: Larry J. Bonderud, Mayor
Shelby City Council

\$10 million grant for Shelby train facility could leverage hundreds of jobs

01/2012, Great Falls Tribune

The Northern Express Transport Authority in Shelby has secured an almost \$10 million grant from the U.S. Department of Transportation to complete an intermodal facility that will allow shipping containers to be transferred from truck to rail.

"The timing of this is perfect for Montana," authority board member Mark Cole said Tuesday. "With the growth in wind energy and oilfield expansions, we've struggled without enough track and proper equipment."

The federal money will be used to construct 10,860 lineal feet of track for intermodal trains, construct a 3,600 lineal feet access road to the facility and build a 20-acre yard to stage oversized equipment. The grant will fund the third phase of the project, which started in 2007 and is located on 130 acres on the northeast edge of Shelby.

The final phase of the project is ready to go — the National Environmental Policy Act environmental process is complete and the right-of-way is acquired.

A 42 percent match of \$7.35 million will come from a Tax Increment Financing district, which earmarks property taxes from new development for infrastructure improvements in the district.

Contract documents are ready for the \$17.35 million project and bids will be let within 90 days, according to officials.

"We've been doing improvements piecemeal and now we'll be able to get it completed," Cole said.

Products that will be shipped to and from the facility include special sand imported from China and used in the United States and Canada for fracturing, or fracking, in oil and natural gas mining; wind turbine components; and peas and lentils.

The facility is scheduled to be operational by 2014.

BNSF committed to operating one intermodal train per week, provided there is a suitable facility to accommodate trains of containers, and sufficient volume to load a full inbound and outbound train.

As of October, nine major customers had committed to utilizing the facility and potentially

constructing industrial facilities near the port in Shelby. Proposed investments are valued at \$254.5 million and are estimated to create 107 new jobs in northcentral Montana by 2015 and up to 537 jobs by 2035, officials said.

The investments range from North West Pork Cooperative, which plans to build a \$250 million pork processing plant for Canadian hogs and then ship products to China, with 235 jobs; to Mountain Grow, which will ship bagged potassium to India and provide 25 jobs; to Green Prairie International, which plans to build a \$1 million lift machine and ship compressed hay to Japan, providing 15 new jobs.

"Since 1990, this project has been about creating family-wage jobs in Montana, and providing new export opportunities to Montana's agricultural producers," Shelby Mayor Larry Bonderud said. "The facility will also play a key role in supporting Montana's energy industries by improving energy supply delivery to the state. The Port of Northern Montana and the city of Shelby — along with all 56 public and private project stakeholders — want to extend a huge 'thank you' to Montana's congressional delegation for supporting this project since day one. The Montana Department of Transportation had a huge supporting role in this, as did the governor's office."

The construction phase of the project will employ 191 workers.

The authority previously applied for a Transportation Investment Generating Economic Recovery grant from the U.S. Department of Transportation for the project but was denied.

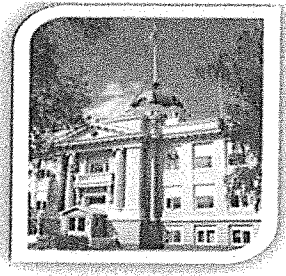
"We took what we learned from that experience, moved forward and created a successful application with the right team," Bonderud said. "This isn't an earmark. We competed with projects from across the nation — and less than 1 percent were funded. Now we can get boots on the ground and people working."

Being able to use rail instead of transporting goods by truck is estimated to improve the economic competitiveness of the region by \$60.8 million over the next 20 years, according to the Northern Express Transportation Authority grant application.

"This is exactly the kind of smart investment we need to get folks back to work and push our economy forward," Sen. Max Baucus, D-Mont., said in a news release. "The intermodal hub is a perfect example of local ingenuity and public-private partnerships working together to create jobs."

"Modernizing Shelby's transportation infrastructure will open doors for Montana's ag producers, creating jobs across northcentral Montana," Sen. Jon Tester, D-Mont., said in a news release. "I

am proud to support this smart regional investment for folks looking for work and new opportunities."



COUNTY OF RICHLAND
Office of
COUNTY COMMISSIONERS

Don Steppler, *Chair*
Loren Young, *Member*
Shane Gorder, *Member*

Voice: (406) 433-1706
Fax: (406) 433-3731
rccomm@richland.org

201 West Main Street

Sidney, Montana 59270-4035

February 29, 2012

Mary S. Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RECEIVED

MAR 05 2012

DOC Housing

Re: Request Comments for Parkview Apartments

Dear Ms. Bair

The Richland County Commissioners are pleased to hear the Parkview Apartments application is proceeding.

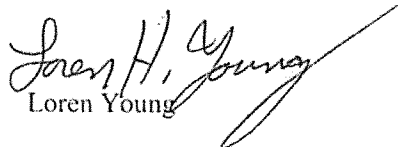
Following are answers to your questions:

1. *Do the rents address current housing needs for low income residents in your area?* Yes, Rent has skyrocketed in the county due to the oil development impact.
2. *Is the size of the project appropriate for the community?* No, The area could support an additional 75-100 units for immediate occupancy.
3. *Is this type of housing appropriate for area housing market concerns?* Yes, The community needs more minimum wage worker housing. The oil boom has brought many high paying jobs to our community, but the service industry isn't paying those wages. Private owned apartment rent has increased and has left these individuals scrambling for affordable housing.
4. *Is the project located in a community identified hard to develop or distressed area?* Hard to develop, Due to the high cost of land, construction costs and lack of employees low income housing is not being built. The county is not distressed. At this time we have a 2.7% unemployment rate.
5. *Is the project located in an area with a high percentage of substandard units?* No, Due to the high need for housing, every available living quarters has been refurbished and is being occupied.
6. *Is the project location close to other low income projects of similar type?* Yes, The Crestwood Inn low income senior housing will be next door.
7. *Is the project close to services, such as medical care, grocery shopping, schools (if applicable)?* Yes, The Parkview Apartments will be in the center of Sidney making them close in proximity to services. Richland County also provides a low cost transportation service to all residents.

Thank you for taking the time to accept responses. If you would like to discuss this application further, please contact our office.

Richland County Commissioners


Don Steppler


Loren Young


Shane Gorder

RECEIVED

MAR 07 2012

DOC Housing

March 2, 2012

Montana Department of Commerce
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Request Comments for Parkview Apartments

Dear Mary,

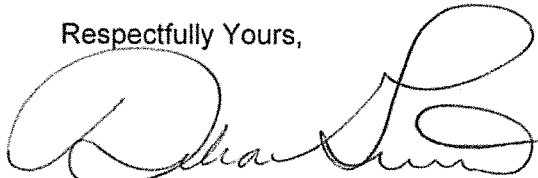
As you may or may not know, Sidney is experiencing rapid growth within our community due to oil activity and one of the huge hurdles the City of Sidney is facing is Multi-Family Housing. Many people moving to Sidney are currently living in campers, tents and/or renting rooms or garages from those folks who have the room and are looking to make some extra money. It appears the planned project rents are reasonable and below what is currently being charged by area apartment complex owners.

Private rents have ballooned to unbelievable rates this past year making it difficult for our citizens working average wage jobs to securing reasonable affordable housing. Those who had housing, are either losing it due to a new property owner/manager giving them an eviction notice or requesting they pay absorbent rents which they are unable do. Any new affordable housing would be a huge benefit for this community.

The location selected is pretty much in the heart of Sidney. The site is within approximately 3 blocks of the Grocery store, Library, Banks, Hardware store and will be located on the same block as Crestwood Inn, a Project Based Section 8 housing for elderly and disabled which is located behind the Middle School and across from Veterans Park.

Thank you for your consideration in this project.

Respectfully Yours,

A handwritten signature in black ink, appearing to read 'Debra Gilbert', with a large, stylized flourish at the end.

Debra Gilbert
Sidney City Council – Ward II